

Fanconi Canada

Financial Statements

(Unaudited)
December 31, 2015





FORSTER SILVERBERG & SHORT LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Review Engagement Report

To the Members of
Fanconi Canada

We have reviewed the balance sheet of Fanconi Canada as at December 31, 2015 and the statements of changes in net assets, operations and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagement and accordingly consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the company.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respect, in accordance with Canadian generally accepted accounting standards for not-for-profit organizations.

The prior year's financial statements were neither audited nor reviewed.

Forster Silverberg & Short LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
December 5, 2016

Fanconi Canada

Balance Sheet As at December 31 (Unaudited)

| | 2015 | 2014 |
|--|-------------------|-------------------|
| Assets | | |
| Current | | |
| Cash | \$ 233,725 | \$ 307,432 |
| Short term investments | 150,963 | 151,244 |
| Other | <u>3,705</u> | <u>2,192</u> |
| | <u>\$ 388,393</u> | <u>\$ 460,868</u> |
| Liabilities | | |
| Current | | |
| Accounts payable and accrued liabilities | \$ <u>553</u> | \$ <u>632</u> |
| Net assets | <u>387,840</u> | <u>460,236</u> |
| | <u>\$ 388,393</u> | <u>\$ 460,868</u> |

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the Board:

_____ Director

_____ Director



Fanconi Canada

Statement of Changes in Net Assets For the year ended December 31 (Unaudited)

| | 2015 | 2014 |
|--|-------------------|-------------------|
| Net Assets | | |
| Balance, beginning of year | \$ 460,236 | \$ 393,425 |
| Excess (deficiency) of revenues over expenditures | <u>(72,396)</u> | <u>66,811</u> |
| Balance, end of year | <u>\$ 387,840</u> | <u>\$ 460,236</u> |



Fanconi Canada

Statement of Operations For the year ended December 31 (Unaudited)

| | 2015 | 2014 |
|--|--------------------|------------------|
| Revenues | | |
| Donations and other contributions | \$ 189,976 | \$ 166,685 |
| Interest income | <u>1,263</u> | <u>1,945</u> |
| | <u>191,239</u> | <u>168,630</u> |
| Expenditures | | |
| Research (notes 5 to 8) | 219,196 | 51,467 |
| Direct fundraising expenses | 41,065 | 42,313 |
| Administrative expenses | <u>3,374</u> | <u>8,039</u> |
| | <u>263,635</u> | <u>101,819</u> |
| Total expenses | | |
| | <u>263,635</u> | <u>101,819</u> |
| Excess (deficiency) of revenues over expenditures | <u>\$ (72,396)</u> | <u>\$ 66,811</u> |

The accompanying notes are an integral part of these financial statements.



Fanconi Canada

Statement of Cash Flows

For the year ended December 31

(Unaudited)

| | 2015 | 2014 |
|---|-------------------|-------------------|
| Cash flows from operating activities | | |
| Net fundraising for research (note 4) | | |
| Ontario Fundraiser (note 9) | \$ 96,219 | \$ 81,179 |
| Scotiabank Waterfront Run (note 10) | 20,970 | 19,241 |
| LAWPRO Employee Fundraising | 5,523 | 5,205 |
| Kestenberg Siegel Lipkus Casual Days | 2,336 | 2,198 |
| Lauzier Family Fundraiser | - | 13,816 |
| Morin-Rucchin Family Fundraiser | 2,050 | - |
| Ritchie-Mingo Family Garage Sale | 7,395 | - |
| Memorial, Piper Bentley | 9,084 | - |
| Memorial, Tali Rom | 1,016 | - |
| Tribute Cards and General Donations | <u>2,837</u> | <u>1,681</u> |
| | 147,430 | 123,320 |
| Research | | |
| FARF Scientific Symposium, Toronto (note 5) | (201,696) | - |
| Kwan (note 6) | - | (1,667) |
| Mateo (note 7) | (17,500) | (12,500) |
| Lee (note 8) | - | (35,800) |
| HSC Marrow Failure Conference | - | (1,500) |
| General administrative costs | (1,893) | (6,987) |
| Net increase (decrease) in working capital | <u>(1,593)</u> | <u>(315)</u> |
| | (75,252) | 64,551 |
| Cash flows from investing activities | | |
| Interest income | <u>1,263</u> | <u>1,945</u> |
| | (73,989) | 66,496 |
| Cash and Investments, beginning of year | <u>458,677</u> | <u>392,181</u> |
| Cash and Investments, end of year | <u>\$ 384,688</u> | <u>\$ 458,677</u> |

The accompanying notes are an integral part of these financial statements.



Fanconi Canada

Notes to Financial Statements

As at December 31, 2015

(Unaudited)

1. Purpose of Organization

Fanconi Canada (Canadian Fanconi Anemia Research Fund/La Fondation Canadienne de Recherche de L'Anemie de Fanconi) raises money to fund research on finding a cure and/or treatment for Fanconi Anemia (a fatal genetic disease causing bone marrow failure and physical anomalies), to raise awareness among members of the general public and the medical community about Fanconi Anemia, its diagnosis and methods of treatment, to provide support to Canadian families affected by Fanconi Anemia, and the publication of newsletters and educational materials in furtherance of the foregoing objectives. On October 15, 2014 Fanconi Canada transitioned its incorporation to the Canada Not-for-profit Corporations Act, from the previous Canada Corporations Act. Fanconi Canada is a registered charity under the Income Tax Act.

2. Significant Accounting Policies

Revenue Recognition

Fanconi Canada follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Investment income is recognized as revenue when earned.

Short-term investments

Short-term investments comprising Guaranteed Investment Certificates are initially and subsequently measured at fair value. Changes in fair value are recognized in the statement of operation in the period incurred.

Contributed Services

Volunteers contribute many hours per year to assist Fanconi Canada in carrying out its service delivery activities, fundraising and day-to-day operations. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.



Fanconi Canada

Notes to Financial Statements

As at December 31, 2015

(Unaudited)

3. Raffles at Ontario Fundraisers 2015 and 2014

Fanconi Canada ran a raffle for prizes at the 2015 and 2014 Ontario Fundraisers, both of which required a Lottery Licence from the City of Toronto, numbered M775739 and M746554 respectively. The use of lottery proceeds must benefit a Toronto resident according to the licence restrictions. Accordingly, the proceeds from 2015 and 2014 raffle continued to fund Abigail Mateo (see note 6).

4. 27th Annual FARF Scientific Symposium

Fanconi Canada in partnership with the Fanconi Anemia Research Fund of Eugene, Oregon funded the 27th Annual Fanconi Anemia Scientific Symposium held in Canada for the first time. The Symposium brings together an international assemblage of leading researchers and physicians as well as young investigators to discuss basic science, translational, and clinical aspects of this rare disease. The annual Fanconi Anemia Research Fund Scientific Symposium is the only major scientific conference that focuses exclusively on Fanconi Anemia and provides both clinical and basic science perspectives.

5. Contractual Obligations - David Howe Kwan

Fanconi Canada, in partnership with the Canadian Institutes of Health Research (under the 2010 CIHR Small Health Organization Partnership Program), has granted a three-year Fellowship Award to David Howe Kwan of the University of British Columbia for his project *Improving Enzymatic Removal of Major Blood Antigens* to help improve the availability and safety of blood transfusions. The award is for \$45,000 per year for a total of \$135,000 funded equally by Fanconi Canada and CIHR from May 1, 2011 to April 30, 2014.



Fanconi Canada

Notes to Financial Statements

As at December 31, 2015

(Unaudited)

6. Contractual Obligations - Abigail Mateo

Fanconi Canada in partnership with the Canadian Institutes of Health Research (under the 2012 CIHR Small Health Organization Partnership Program), has granted a three-year Doctoral Research Award to Abigail Mateo of the Hospital for Sick Children, Toronto for her project *C. elegans p53 family transcription factor has roles in meiotic recombination and DNA interstrand crosslink* to better understand DNA repair with respect to the FA pathway. The award is for \$35,000 per year for a total of \$105,000 funded equally by Fanconi Canada and CIHR from May 1, 2013 to April 30, 2016.

7. Contractual Obligations - Eva Lee

In 2014, Fanconi Canada funded the project *The role of Fanconi anemia proteins in homologous recombinational repair of DNA double strand breaks in human cells*, in the amount of \$35,000, with Ms. Eva Lee as the principal investigator at the Hospital for Sick Children, for the period November 1, 2014 to October 31, 2015.



Fanconi Canada

Notes to Financial Statements

As at December 31, 2015

(Unaudited)

8. Ontario Fundraiser

The following is a breakdown of the Annual Ontario Fundraiser, the major fundraising initiative for Fanconi Canada.

| | Ontario Fundraiser Amount Raised for Research For the year ended December 31, | |
|------------------------------------|---|------------------|
| | 2015 | 2014 |
| Revenues | | |
| Table sponsorships | \$ 84,100 | \$ 83,670 |
| Auction items | 26,688 | 19,540 |
| Donations | 12,247 | 6,857 |
| Ticket sales | 9,350 | 8,855 |
| Raffle tickets | 5,210 | 5,410 |
| Event novelties | 46 | 40 |
| Total revenues | <u>137,641</u> | <u>124,372</u> |
| Direct Fundraising Expenses | <u>(41,422)</u> | <u>(42,408)</u> |
| Amount Raised for Research | <u>\$ 96,219</u> | <u>\$ 81,964</u> |

9. Scotiabank Waterfront Marathon

Fanconi Canada is in the fifth year of entering a team in the Scotiabank Waterfront Marathon as its second most successful fundraising event.

| | Scotiabank Waterfront Marathon Amount Raised for Research For the year ended December 31, | |
|---|---|------------------|
| | 2015 | 2014 |
| Revenues | | |
| Team and Individual Runner Sponsorships | \$ 21,874 | \$ 20,145 |
| Direct Fundraising Expenses | <u>(904)</u> | <u>(904)</u> |
| Amount Raised for Research | <u>\$ 20,970</u> | <u>\$ 19,241</u> |



Fanconi Canada

Notes to Financial Statements

As at December 31, 2015

(Unaudited)

10. Financial Instruments

Fair values approximate amounts at which financial instruments could be exchanged between willing parties, based on current markets for instruments of same risk, principal and remaining maturities. Fair values are based on estimates using valuation techniques which are significantly affected by the assumptions used concerning the amount and timing of estimated future cash flows which reflect varying degrees of risk. Therefore, due to the use of subjective judgment and uncertainties, the aggregate fair value amount should not be interpreted as being realizable in an immediate settlement of the investments.

As at December 31, 2015 and 2014 the Organization's financial instruments comprise cash, short-term investments and accounts payable and accrued liabilities.

Management believes that the Organization's financial instruments are not subject to credit risk, market risk or interest rate risk.

