

Fanconi Canada
Financial Statements

(Unaudited)
December 31, 2016

Fanconi Canada

Balance Sheet

As at December 31

(Unaudited)

		2016	2015
Assets			
Current			
	Cash	\$466,444	\$233,725
	Short term investments (note 9)	150,732	150,963
	Other	7,203	3,705
		<u>\$624,379</u>	<u>\$388,393</u>
Liabilities			
Current			
	Accounts payable and accrued liabilities	509	553
Net assets			
		<u>623,870</u>	<u>387,840</u>
		<u>\$624,379</u>	<u>\$388,393</u>

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

Fanconi Canada

Statement of Changes in Net Assets

For the year ended December 31

(Unaudited)

		2016	2015
Net Assets			
	Balance, beginning of year	\$387,840	\$460,236
	Excess (deficiency) of revenues over expenditures	236,030	-72,396
	Balance, end of year	\$623,870	\$387,840

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

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Statement of Operations

For the year ended December 31

(Unaudited)

		2016	2015
Revenues			
	Donations and other contributions	\$331,480	\$189,976
	Interest income and rebates	1,417	1,263
	Total revenues	332,897	191,239
Expenditures			
	Research (notes 5 to 6)	50,538	219,196
	Direct fundraising expenses	42,516	41,065
	Administrative expenses	3,813	3,374
	Total expenditures	96,867	263,635
	Excess (deficiency) of revenues over expenditures	\$236,030	-\$72,396

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

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Statement of Cash Flows

For the year ended December 31

(Unaudited)

	2016	2015
Cash flows from operating activities		
Net fundraising		
Ontario Fundraiser (note 7)	\$110,188	\$96,219
Scotiabank Waterfront Run (note 8)	17,800	20,970
LAWPRO Employee Fundraising	5,993	5,523
Kestenberg Siegel Lipkus Casual Days	2,473	2,336
Memorial, William Shelton	4,080	-
Chorneyko Family Fundraisers	109,027	-
Lauzier Family Fundraiser	5,461	-
Morin-Rucchin Family Fundraiser	-	2,050
Ritchie-Mingo Family Garage Sale	12,453	7,395
Memorial, Piper Bentley	135	9,084
Memorial, Tali Rom	887	1,016
Glavac Family Fundraisers	11,715	-
Memorial, Nicholas Galatsis	3,138	-
Tribute Cards and General Donations	3,772	2,837
	<u>287,122</u>	<u>147,430</u>
Research		
FARF Scientific Symposium, Toronto (note 4)	-	-201,696
Mateo (note 5)	-6,250	-17,500
Dror (note 6)	-42,197	-
BC Children's Hospital Vancouver Conference	-1,400	-
Miscellaneous Conferences	-690	-
General administrative costs net of rebates	-1,524	-1,893
Net increase (decrease) in working capital	-3,542	-1,593
	<u>231,519</u>	<u>-75,252</u>
Cash flows from investing activities		
Interest income	969	1,263
	<u>232,488</u>	<u>-73,989</u>
Cash and Investments, beginning of year	384,688	458,677
	<u>\$617,176</u>	<u>\$384,688</u>

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

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Notes to Financial Statements

As at December 31, 2016

(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 operations 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. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

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Notes to Financial Statements

As at December 31, 2016

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3. Raffles at Ontario Fundraisers 2016 and 2015

Fanconi Canada ran a raffle for prizes at the 2016 and 2015 Ontario Fundraisers, both of which required a Lottery Licence from the City of Toronto, numbered M779822 and M775739 respectively. The use of lottery proceeds must benefit a Toronto resident according to the licence restrictions. Accordingly, the proceeds from 2016 and 2015 raffle continued to fund Abigail Mateo (see note 5) and in 2016 the remaining lottery proceeds went to the Hospital for Sick Children in Toronto to contribute to the Inherited Bone Marrow Failure Patient Conference.

4. 27th Annual FARF Scientific Symposium

In 2015, 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 - 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 \$35,800 per year for a total of \$105,000 funded equally by Fanconi Canada and CIHR from May 1, 2013 to April 30, 2016.

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Notes to Financial Statements

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6. Contractual Obligations – Dr. Yigal Dror

In 2016, Fanconi Canada funded a portion of the project *Dissecting the hematopoietic hierarchy and function in non-malignant and malignant states using inherited disorders with hematopoietic stem cell/progenitor loss*, in the one-time amount of \$42,198 to the Hospital for Sick Children, Toronto. The project is under the supervision of Dr. Yigal Dror and includes the investigation of how FA cells progress from non-leukemic to leukemic states with a view to identify early changes in bone marrow that might aid in developing early detection, prevention and/or treatment.

7. 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,

		2016	2015
Revenues			
Table sponsorships		\$95,250	\$84,100
Auction items		31,198	26,688
Donations		8,573	12,247
Ticket sales		12,275	9,350
Raffle tickets		6,440	5,210
Event novelties		60	46
	Total revenues	153,796	137,641
Direct Fundraising Expenses			
		-43,608	-41,422
Net Amount Raised			
		<u>\$110,188</u>	<u>\$96,219</u>

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8. Scotiabank Waterfront Marathon

Fanconi Canada is in the sixth year of entering a team in the Scotiabank Waterfront Marathon.

**Scotiabank Waterfront Marathon
Amount Raised for Research**
For the year ended December 31,

	2016	2015
Revenues		
Team and Individual Runner Sponsorships	\$18,173	\$21,874
Direct Fundraising Expenses	-373	-904
Net Amount Raised	<u>\$17,800</u>	<u>\$20,970</u>

9. 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, 2016 and 2015 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.