

**FANCONI CANADA**

Unaudited Financial Statements

December 31<sup>st</sup>, 2001

Prepared By:

Annette Waxberg  
Treasurer

June 15, 2002

**FANCONI CANADA****Statement of Financial Position**  
(Unaudited)

As at December 31, 2001

	<u>Dec. 31, 2001</u>	<u>Dec. 31, 2000</u>
<b>CURRENT ASSETS</b>		
Bank accounts	\$ 3,244	\$3,018
Undeposited funds	10,616	8,978
Guaranteed Investment Certificate	75,000	37,500
<b>TOTAL CURRENT ASSETS</b>	<u>\$88,859</u>	<u>\$49,496</u>
<b>LIABILITIES &amp; NET ASSETS</b>		
Net Assets internally restricted for research (note 3)	\$86,111	\$47,996
Unrestricted net assets	1,748	1,500
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<u>\$88,859</u>	<u>\$49,496</u>

June 15, 2002

**FANCONI CANADA****Statement of Operations**  
(Unaudited)

For the year ended December 31, 2001

	Jan. 1, 2001 to <u>Dec. 31, 2001</u>	Jan. 1, 2000 to <u>Dec. 31, 2000</u>
<b>REVENUES</b>		
Research contributions	\$56,865	\$34,646
Unrestricted contributions	2,133	3,215
Interest income	1,777	303
Total revenues	<u>\$60,775</u>	<u>\$38,164</u>
<b>GRANTS &amp; EXPENSES</b>		
Research projects funded (note 4)	\$19,250	\$7,228
Administrative expenses	2,162	2,019
Total grants & expenses	<u>\$21,412</u>	<u>\$9,247</u>
<b>Excess of revenues over grants &amp; expenses</b>	<u>\$39,363</u>	<u>\$28,918</u>

June 15, 2002

**FANCONI CANADA****Statement of Changes in Net Assets**  
(Unaudited)

As at Dec. 31, 2001

	<u>Internally Restricted for Research</u>	<u>Unrestricted</u>	<u>Dec. 31, 2001</u>	<u>Dec. 31, 2000</u>
<b>NET ASSETS</b>				
Balance, beginning of year	\$49,496	-	\$49,496	\$20,578
Excess of revenues over expenses, research	37,615	-	37,615	27,418
Excess of revenues over expenses, administration	-	\$1,748	1,748	1,500
<b>BALANCE, END OF YEAR</b>	<u>\$86,111</u>	<u>\$1,748</u>	<u>\$88,859</u>	<u>\$49,496</u>

June 15, 2002

**FANCONI CANADA****Statement of Cash Flows**  
(Unaudited)

For the year ended December 31, 2001

	<u>Jan. 1, 2001 to</u> <u>Dec. 31, 2001</u>	<u>Jan. 1, 2000 to</u> <u>Dec. 31, 2000</u>
<b>Cash flows from operating activities</b>		
Cronin family fundraising for research	\$20,462	\$19,388
Lauzier family fundraising for research	7,395	6,870
Shelson/Waxberg family fundraising for research	24,993	7,077
Fecteau family fundraising for research	1,598	-
Other family fundraising for research	2,419	1,311
Cash received for administrative contributions	2,088	2,975
Cash received for handbook donations	45	240
Cash received for interest	1,778	303
Cash paid for CIHR Partnership	(19,250)	-
Cash paid to Dr. Carreau's research project	-	(5,395)
Cash paid to Dr. Champagne	-	(1,833)
Cash paid for administrative expenses	(2,162)	(2,019)
<b>Net cash generated through operating activities</b>	<u>\$39,363</u>	<u>\$28,677</u>
<b>Cash flows from financing &amp; investing activities</b>		
Cash transferred from bank account to GIC	37,500	32,500
Purchase of GIC	(37,500)	(32,500)
<b>Net cash used in financing &amp; investing activities</b>	<u>-</u>	<u>-</u>
<b>Net increase in cash &amp; GIC's</b>	39,363	28,918
Cash & GIC's, beginning of year	49,496	20,578
<b>Cash &amp; GIC's, end of year</b>	<u>\$88,859</u>	<u>\$49,496</u>

**FANCONI CANADA****Notes to Financial Statements**  
(Unaudited)

As at December 31, 2001

**1. Purpose of the 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. Fanconi Canada is incorporated under the Canada Corporations Act as a not-for-profit organization and 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. Unrestricted investment income is recognized as revenue when earned.

**Investments**

Investments are recorded at the lower of cost and market value.

**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.

**3. Restrictions on net assets**

Fanconi Canada has no net assets with externally imposed restrictions; however, donations from the public are internally restricted to be used for research. Some donations from families afflicted with Fanconi Anemia are directed to cover Fanconi Canada services and administrative expenses.

June 15, 2002

#### **4. Contractual Obligations - CIHR Partnership**

On Sept. 24, 2000, Fanconi Canada entered into a Memorandum of Understanding with the Canadian Institutes of Health Research for a 50/50 partnership to fund a Postdoctoral Fellowship in Fanconi Anemia Research to commence April 2001. Fanconi Canada's portion of the Fellowship Award is up to a maximum of \$24,250 per year for 3 years (for a potential total of \$72,750).

#### **5. Reorganization**

On February 28, 2000 the Canadian Fanconi Anemia Research Fund became incorporated under the Canada Corporations Act, changed its legal name to "Canadian Fanconi Anemia Research Fund/La Fondation Canadienne de Recherche de l'Anemie de Fanconi", adopted a marketing name "Fanconi Canada", moved its Head Office to Toronto, appointed new directors and changed its year end from May 31<sup>st</sup> to Dec. 31<sup>st</sup>. The financial statements have been prepared to reflect these changes.