

FANCONI CANADA
Unaudited Financial Statements
December 31st, 2008

Prepared By:

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Treasurer

June 30, 2009

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

As at December 31, 2008

| | <u>Dec. 31, 2008</u> | <u>Dec. 31, 2007</u> |
|--|----------------------|----------------------|
| CURRENT ASSETS | | |
| Bank accounts | \$40,419 | \$5,459 |
| GIC and other current assets | 243,472 | 239,267 |
| TOTAL CURRENT ASSETS | <u>\$283,891</u> | <u>\$244,726</u> |
| LIABILITIES & NET ASSETS | | |
| Payables | - | \$22,500 |
| Net Assets internally restricted for research (note 3) | 270,025 | 209,048 |
| Unrestricted net assets | 13,866 | 13,178 |
| TOTAL LIABILITIES & NET ASSETS | <u>\$283,891</u> | <u>\$244,726</u> |

June 30, 2009

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

For the year ended December 31, 2008

| | Jan. 1, 2008 to <u>Dec. 31, 2008</u> | Jan. 1, 2007 to <u>Dec. 31, 2007</u> |
|--|---|---|
| REVENUES | | |
| Research contributions | \$125,219 | \$107,731 |
| Unrestricted contributions | 1,564 | 1,674 |
| Interest income | 2,590 | 4,446 |
| Total revenues | <u>\$129,373</u> | <u>\$113,851</u> |
| GRANTS & EXPENSES | | |
| Research projects funded (notes 4 to 9) | \$33,500 | \$96,074 |
| Direct Fundraising expenses | 30,742 | 29,339 |
| Administrative expenses | 3,466 | 2,546 |
| Total grants & expenses | <u>\$67,708</u> | <u>\$127,959</u> |
| Excess <deficit> of revenues over grants & expenses | <u>\$61,665</u> | <u><\$14,108></u> |

June 30, 2009

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

As at Dec. 31, 2008

| | <u>Internally Restricted for Research</u> | <u>Unrestricted</u> | <u>Dec. 31, 2008</u> | <u>Dec. 31, 2007</u> |
|--|---|---------------------|--------------------------|--------------------------|
| NET ASSETS | | | | |
| Balance, beginning of year | \$209,048 | \$13,178 | \$222,226 | \$236,334 |
| Excess <deficit> of revenues over expenses, research | 60,977 | | 60,977 | <17,682> |
| Excess <deficit> of expenses over revenues, administration | | 688 | 688 | 3,574 |
| BALANCE, END OF YEAR | <u>\$270,025</u> | <u>\$13,866</u> | <u>\$283,891</u> | <u>\$222,226</u> |

June 30, 2009

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

For the year ended December 31, 2008

| | Jan. 1, 2008 to <u>Dec. 31, 2008</u> | Jan. 1, 2007 to <u>Dec. 31, 2007</u> |
|---|---|---|
| Cash flows from operating activities | | |
| Boudreau family net fundraising for research | - | 300 |
| Cronin family net fundraising for research | 550 | 5,378 |
| Lauzier family net fundraising for research | 528 | 750 |
| Shelson/Waxberg family net fundraising for research | 92,131 | 71,267 |
| Other family net fundraising for research | 1,269 | 699 |
| Administrative contributions | 1,564 | 1,674 |
| Interest | 2,590 | 4,446 |
| Dr. Dror's research project (note 4) | - | <22,500> |
| Dr. Durocher's research project (note 5) | - | <66,500> |
| Caroline Huard's research project (note 6) | <11,000> | <6,625> |
| Dr. Vignard's research project (note 7) | <22,500> | - |
| Other research projects | - | <450> |
| Administrative costs | <3,466> | <2,546> |
| Net increase <decrease> in payables | <22,309> | 19,813 |
| Net cash generated through operating activities | <u>39,357</u> | <u>\$5,706</u> |
| Cash flows from financing & investing activities | - | - |
| Cash & GIC's, beginning of year | 244,459 | 238,753 |
| Cash & GIC's, end of year | <u>283,816</u> | <u>\$244,459</u> |

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

As at December 31, 2008

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 as well as interest revenue.

4. Contractual Obligations – Dr. Dror

On August 7, 2002, Fanconi Canada agreed to partially fund the Canadian Inherited Marrow Failure Registry for Dr. Dror at the Hospital for Sick Children. Fanconi Canada's obligation is \$22,500 per year for two years. In the fall of 2004, Fanconi Canada agreed to continue partial funding for the Registry for 2005 to 2007 at \$22,500 per year.

5. Contractual Obligations – Dr. Durocher

On October 3, 2007, Fanconi Canada agreed to fund the first year of the research project entitled "*Charcterization of Fanconi anemia alternative spliced forms in breast cancer cases from non-BRCA1/2 high risk French Canadian families*", headed by Dr. Francine Durocher of the Centre Hospitalier Universitaire de Quebec. Fanconi Canada currently has no further funding commitments for this project.

6. Contractual Obligations – Caroline Huard

A Doctoral Research award was granted to Caroline Huard at Université Laval de Quebec for the project titled *Rôle du corépresseur de la transcription ctBPI (C-terminal binding protein) dans l'anémie de Fanconi* under the CIHR Small Health Organization Partnership Program for 2006. Fanconi Canada's obligation is for one half of \$22,000 per year for three years, commencing September 1, 2007.

7. Contractual Obligations – Julien Vignard

A Post-Doctoral Fellowship in FA Research was awarded to Julien Vignard of Laval University in Quebec City for his project studying the role of FA proteins in DNA double-stranded break repair. Fanconi Canada's obligation is for one half of \$45,000 per year for three years commencing April 2008. Due to a conflicting award, Dr. Vignard postponed his CIHR funding to the period May 1, 2009 to April 30, 2012.

8. Contractual Obligations – Dr. Martin R. Jones

The Canadian Institutes of Health Research/Fanconi Canada Post-Doctoral Fellowship in FA Research (under the 2008 CIHR Small Health Organization Partnership Program) was awarded to Dr. Martin R. Jones of the University of British Columbia. Dr. Jones' project is titled *Characterization of Fanconi anemia and a FA genetic network in C. elegans: A model for developing Fanconi Anemia therapeutic targets*. This three year fellowship has a value of \$135,000 which will be funded equally by CIHR and Fanconi Canada from May 1, 2009 to April 30, 2012.

June 30, 2009

9. Contractual Obligations – Helena S. Mistry

Helena S. Mistry of the Hospital for Sick Children in Toronto will receive the Canadian Institutes of Health Research/Fanconi Canada Doctoral Research Award in FA Research (under the 2008 CIHR Small Health Organization Partnership Program). Dr. Mistry's project is titled *Relationship of Mus81-Eme1 to Fanconi Anemia signaling I the DNA damage response*. This two year fellowship has a value of \$44,000 which will be funded equally by CIHR and Fanconi Canada from May 1, 2009 to April 30, 2011.

10. Toronto Fundraiser

The following is a breakdown of the Toronto Fundraiser.

Toronto Fundraiser Amount Raised for Research (Unaudited)

For the year ended December 31, 2008

| | <u>2008 Fundraiser</u> | <u>2007 Fundraiser</u> |
|------------------------------------|------------------------|------------------------|
| REVENUES | | |
| Table sponsorships | \$66,225 | \$53,950 |
| Auction items | 25,925 | 19,574 |
| Donations | 13,141 | 10,218 |
| Ticket sales | 9,850 | 9,955 |
| Event novelties | 30 | 125 |
| Total revenues | <u>\$115,171</u> | <u>\$93,823</u> |
| DIRECT FUNDRAISING EXPENSES | <u><30,520></u> | <u><29,108></u> |
| Amount raised for research | <u>\$84,651</u> | <u>\$64,715</u> |