

FANCONI CANADA
Unaudited Financial Statements
December 31st, 2009

Prepared By:

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Treasurer

June 30, 2010

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

As at December 31, 2009

	<u>Dec. 31, 2009</u>	<u>Dec. 31, 2008</u>
CURRENT ASSETS		
Bank accounts	\$97,110	\$40,419
GIC and other current assets	245,827	243,472
TOTAL CURRENT ASSETS	<u>\$342,937</u>	<u>\$283,891</u>
LIABILITIES & NET ASSETS		
Payables	\$198	-
Net Assets internally restricted for research (note 3)	322,158	270,025
Unrestricted net assets	20,581	13,866
TOTAL LIABILITIES & NET ASSETS	<u>\$342,937</u>	<u>\$283,891</u>

June 30, 2010

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

For the year ended December 31, 2009

	Jan. 1, 2009 to <u>Dec. 31, 2009</u>	Jan. 1, 2008 to <u>Dec. 31, 2008</u>
REVENUES		
Research contributions	\$119,641	\$125,219
Unrestricted contributions	806	1,564
Interest income	8,596	2,590
Total revenues	<u>\$129,043</u>	<u>\$129,373</u>
GRANTS & EXPENSES		
Research projects funded (notes 4 to 10)	\$36,166	\$33,500
Direct Fundraising expenses	31,342	30,742
Administrative expenses	2,687	3,466
Total grants & expenses	<u>\$70,195</u>	<u>\$67,708</u>
Excess <deficit> of revenues over grants & expenses	<u>\$58,848</u>	<u>\$61,665</u>

June 30, 2010

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

As at Dec. 31, 2009

	<u>Internally Restricted for Research</u>	<u>Unrestricted</u>	<u>Dec. 31, 2009</u>	<u>Dec. 31, 2008</u>
NET ASSETS				
Balance, beginning of year	\$270,025	\$13,866	\$283,891	\$222,226
Excess <deficit> of revenues over expenses, research	52,133		52,133	60,977
Excess <deficit> of expenses over revenues, administration		6,715	6,715	688
BALANCE, END OF YEAR	<u>\$322,158</u>	<u>\$20,581</u>	<u>\$342,739</u>	<u>\$283,891</u>

June 30, 2010

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

For the year ended December 31, 2009

	<u>Jan. 1, 2009 to</u> <u>Dec. 31, 2009</u>	<u>Jan. 1, 2008 to</u> <u>Dec. 31, 2008</u>
Cash flows from operating activities		
Net family fundraising for research:		
Collings family	470	205
Cronin family	475	550
Durbach family	500	-
Hopper/Heath/Parkin family	405	465
Lauzier family	4,020	528
Shelson/Waxberg family	81,600	92,131
Other family net fundraising for research	829	599
Administrative contributions	806	1,564
Interest	8,596	2,590
Research projects:		
Caroline Huard (note 4)	<4,375>	<11,000>
Dr. Vignard (note 5)	1,667	<22,500>
Dr. Jones (note 6)	<20,833>	-
Dr. Mistry (note 7)	<10,125>	-
Other research projects	<2,500>	-
Administrative costs	<2,687>	<3,466>
Net increase <decrease> in payables	273	<22,309>
Net cash generated through operating activities	<u>59,121</u>	<u>39,357</u>
Cash flows from financing & investing activities	-	-
Cash & GIC's, beginning of year	283,816	244,459
Cash & GIC's, end of year	<u>342,937</u>	<u>283,816</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 – 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 two years, commencing September 1, 2007.

5. Contractual Obligations – Julien Vignard

A Post-Doctoral Fellowship in FA Research in partnership with CIHR for the 2007 Competition 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.

6. 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.

7. Contractual Obligations – Helena S. Mistry

Helena S. Mistry of the Hospital for Sick Children in Toronto received 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.

8. Contractual Obligations – Meghan E. Larin

Fanconi Canada in partnership with the Canadian Institutes of Health Research, has agreed to fund a three-year doctoral research award to Meghan E. Larin of the University of Toronto, Department of Pharmacology and Toxicology for her project entitled *Fanconi Anemia signaling and Mus81-Eme1: role in replicative stress and development*. The award is for \$22,000 per year for a total of \$66,000 funded equally by Fanconi Canada and CIHR from September 1, 2010 to August 31, 2013.

9. Contractual Obligations – SHOPP 2009 Awards

Fanconi Canada in partnership with the Canadian Institutes of Health Research are finalizing the funding of two awards under the Small Health Organizations Partnership Program (SHOPP) to be funded equally by Fanconi Canada and CIHR. One is a Fellowship for Fanconi anemia research for up to \$55,000 per year for up to 3 years, for a total of \$165,000 to start April 1, 2010 (Fall 2009 Priority Announcement). The second is a Master's Award for Fanconi anemia research for \$17,500 for one year to start September 1, 2010 (Winter 2010 Priority Announcement).

10. Contractual Obligations – SHOPP 2010 Competition

Fanconi Canada in partnership with the Canadian Institutes of Health Research have two competitions announced under the Small Health Organizations Partnership Program (SHOPP) 2010 to be funded equally by Fanconi Canada and CIHR. One will award up to two Fellowships for Fanconi anemia research for up to \$55,000 per year for up to 5 years, for a total of \$550,000 to start April 1/2011 (Fall 2010 Priority Announcement). The second is a Master's Award for Fanconi anemia research for \$17,500 for up to one year to start September 1, 2011 (Winter 2010 Priority Announcement).

11. Ontario Fundraiser

The following is a breakdown of the Ontario Fundraiser.

Ontario Fundraiser Amount Raised for Research (Unaudited)

For the year ended December 31, 2009

	<u>2009 Fundraiser</u>	<u>2008 Fundraiser</u>
REVENUES		
Table sponsorships	\$57,450	\$66,225
Auction items	26,132	25,925
Donations	10,759	13,141
Ticket sales	10,430	9,850
Event novelties	-	30
Total revenues	<u>\$104,771</u>	<u>\$115,171</u>
DIRECT FUNDRAISING EXPENSES	<u><30,983></u>	<u><30,520></u>
Amount raised for research	<u>\$73,788</u>	<u>\$84,651</u>