

FANCONI CANADA
Unaudited Financial Statements
December 31st, 2011

Prepared By:

Annette Waxberg
Treasurer

June 30, 2012

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

As at December 31, 2011

	<u>Dec. 31, 2011</u>	<u>Dec. 31, 2010</u>
CURRENT ASSETS		
Bank accounts	\$43,066	\$254,137
GIC and other current assets	333,861	119,950
TOTAL CURRENT ASSETS	<u>\$376,928</u>	<u>\$374,087</u>
LIABILITIES & NET ASSETS		
Payables	\$6,000	\$1,773
Net Assets internally restricted for research (note 3)	328,601	335,213
Unrestricted net assets	42,327	37,101
TOTAL LIABILITIES & NET ASSETS	<u>\$376,928</u>	<u>\$374,087</u>

June 30, 2012

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

For the year ended December 31, 2011

	Jan. 1, 2011 to <u>Dec. 31, 2011</u>	Jan. 1, 2010 to <u>Dec. 31, 2010</u>
REVENUES		
Research contributions	\$140,977	\$139,881
Unrestricted contributions	873	3,285
Interest income	7,840	15,612
Total revenues	<u>\$149,690</u>	<u>\$158,778</u>
GRANTS & EXPENSES		
Research projects funded (notes 4 to 10)	\$116,354	\$90,229
Direct Fundraising expenses	32,235	35,597
Administrative expenses	2,487	3,377
Total grants & expenses	<u>\$151,076</u>	<u>\$129,203</u>
Excess <deficit> of revenues over grants & expenses	<u><\$1,386></u>	<u>\$29,575</u>

June 30, 2012

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

As at Dec. 31, 2011

	<u>Internally Restricted for Research</u>	<u>Unrestricted</u>	<u>Dec. 31, 2011</u>	<u>Dec. 31, 2010</u>
NET ASSETS				
Balance, beginning of year	\$336,213	\$36,101	\$372,314	\$342,739
Excess <deficit> of revenues over expenses, research	<7,612>		<7,612>	14,055
Excess <deficit> of expenses over revenues, administration		6,226	6,226	15,520
BALANCE, END OF YEAR	<u>\$328,601</u>	<u>\$42,327</u>	<u>\$376,226</u>	<u>\$372,314</u>

June 30, 2012

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

For the year ended December 31, 2011

	<u>Jan. 1, 2011 to</u> <u>Dec. 31, 2011</u>	<u>Jan. 1, 2010 to</u> <u>Dec. 31, 2010</u>
Cash flows from operating activities		
Net fundraising for research (note 4):		
Ontario Fundraiser	\$76,743	\$70,214
Scotiabank Waterfront Run	17,046	10,926
General Donations	1,620	8,798
LAWPRO Employee Fundraising	5,277	5,604
Lauzier Family Fundraiser	5,500	3,511
Kestenberg Siegel Lipkus Casual Days	2,242	2,400
Tribute Cards	25	2,633
	<hr/>	<hr/>
	108,453	104,086
Administrative contributions	873	3,285
Interest	7,840	15,612
Research projects:		
Vignard (note 5)	<10,000>	<22,500>
Jones (note 6)	<22,500>	<22,500>
Mistry (note 7)	<875>	<11,000>
Larin (note 8)	<11,000>	<6,625>
Kaddar (note 9)	<22,500>	<22,500>
St-Laurent Pedneault (note 10)	<3,646>	<5,104>
Kwan (note 11)	<20,833>	-
Tarailo-Graovac (note 12)	<22,500>	-
Other research projects	<2,500>	-
Administrative costs	<2,198>	<3,179>
Net increase <decrease> in payables	1,822	1,575
	<hr/>	<hr/>
Net cash generated through operating activities	436	31,150
Cash flows from financing & investing activities		
	-	-
Cash & GIC's, beginning of year	374,087	342,937
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Cash & GIC's, end of year	374,523	\$374,087

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

As at December 31, 2011

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, which are also covered by interest revenue.

4. Raffle at Ontario Fundraiser 2011

Fanconi Canada ran a 50/50 draw at its 2011 Ontario Fundraiser which required a Lottery Licence from the City of Toronto issued April 13, 2011 and numbered M660458. The licence imposes restrictions on the use of lottery proceeds in that they must benefit Toronto residents. Therefore, all the proceeds from the raffle were used to fund the research performed at the University of Toronto by Meghan E. Larin (see note 8 below).

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. Subsequently, he postponed his CIHR funding to the period May 1, 2009 to April 30, 2012. Finally, his funding will be terminated early on August 15, 2011, due to his return to France.

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 (under the 2009 CIHR Small Health Organization Partnership Program), 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 – Tagrid Kaddar

Fanconi Canada in partnership with the Canadian Institutes of Health Research (under the 2009 CIHR Small Health Organization Partnership Program), has granted a three-year Fellowship Award to Tagrid Kaddar of Université Laval, Québec to study the role of Fanconi proteins in hematopoiesis. The award is for \$45,000 per year for a total of \$135,000 funded equally by Fanconi Canada and CIHR from September 1, 2010 to August 31, 2013.

10. Contractual Obligations – Christopher W. St-Laurent Pedneault

Fanconi Canada in partnership with the Canadian Institutes of Health Research (under the 2010 CIHR Small Health Organization Partnership Program), has granted a one year Master's Award to Christopher St-Laurent Pedneault of Université Laval, Québec to study functional splice variants in FANCA cells and their effects on DNA repair. The award is for \$17,500, funded equally by Fanconi Canada and CIHR from September 1, 2010 to August 31, 2011.

11. 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.

12. Contractual Obligations – Maja Tarailo-Graovac

Fanconi Canada in partnership with the Canadian Institutes of Health Research (under the 2010 CIHR Small Health Organization Partnership Program), has granted a two year Fellowship Award to Maja Tarailo-Graovac of Simon Fraser University for the project *Genome Variations that Drive Increased Fitness in MAD1 and FANC-J-Defective C. elegans* which could add to the knowledge regarding the cause of Fanconi anemia as well as causation and development of cancer in general. The award was originally announced for \$78,750, funded equally by Fanconi Canada and CIHR from April 1, 2011 to Dec. 31, 2012. Subsequently, due to a request for maternity leave, the project end date was extended to May 31, 2013 and funding increased to \$95,417, the difference of \$16,667 being fully funded by CIHR.

13. Contractual Obligations – Dr. Madeleine Carreau

Fanconi Canada in partnership with the Fanconi Anemia Research Fund (FARF) of Eugene Oregon has agreed to fund the project *Exploring the role of FANCC in developmental cell death*, carried out by Dr. Madeleine Carreau of Laval University, Quebec City, Quebec. The project runs from January 1, 2012 to December 31, 2013 requiring \$189,192 in total, to be funded equally by Fanconi Canada and FARF.

14. Contractual Obligations – SHOPP 2012 Competitions

Fanconi Canada in partnership with the Canadian Institutes of Health Research has announced three competitions under the Small Health Organizations Partnership Program (SHOPP) 2012 to be funded equally by Fanconi Canada and CIHR. The joint commitment is potentially for \$397,500 to be paid over the next five years covering a Masters Award, a Doctoral Research Award and a Post-Doctoral Fellowship Award to start in 2013, with Funding Decisions to be announced starting in April 2013.

June 30, 2012

15. 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
(Unaudited)**

For the year ended December 31, 2011

	<u>2011 Fundraiser</u>	<u>2010 Fundraiser</u>
REVENUES		
Table sponsorships	\$53,200	\$55,813
Auction items	22,550	25,622
Donations	22,238	12,253
Ticket sales	8,895	10,650
Raffle tickets	3,600	-
Event novelties	440	280
Total revenues	<u>\$110,923</u>	<u>\$104,618</u>
DIRECT FUNDRAISING EXPENSES		
	<u><32,748></u>	<u><35,162></u>
Amount raised for research	<u>\$78,175</u>	<u>\$69,456</u>

June 30, 2012

16. Scotiabank Waterfront Marathon

In 2010, Fanconi Canada has undertaken a new fundraising event by entering a team in the Scotiabank Waterfront Marathon. The following details the success of the event.

Scotiabank Waterfront Marathon Amount Raised for Research (Unaudited)

For the year ended December 31, 2011

	<u>2011</u>	<u>2010</u>
REVENUES		
Team and Individual Runner Sponsorships	\$17,837	\$11,208
DIRECT FUNDRAISING EXPENSES	<u><791></u>	<u><875></u>
Amount raised for research	<u>\$17,046</u>	<u>\$10,333</u>