

FANCONI CANADA
Unaudited Financial Statements
December 31st, 2013

Prepared By:

Annette Waxberg
Treasurer

June 30, 2014

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

As at December 31, 2013

	<u>Dec. 31, 2013</u>	<u>Dec. 31, 2012</u>
CURRENT ASSETS		
Bank accounts	\$59,503	\$27,538
GIC and other current assets	333,957	337,201
TOTAL CURRENT ASSETS	<u>\$393,460</u>	<u>\$364,739</u>
LIABILITIES & NET ASSETS		
Payables	\$35	\$85
Net assets internally restricted for research (note 3)	349,179	321,335
Unrestricted net assets	44,246	43,319
TOTAL LIABILITIES & NET ASSETS	<u>\$393,460</u>	<u>\$364,739</u>

June 30, 2014

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

For the year ended December 31, 2013

	Jan. 1, 2013 to <u>Dec. 31, 2013</u>	Jan. 1, 2012 to <u>Dec. 31, 2012</u>
REVENUES		
Research contributions	\$176,605	\$148,666
Unrestricted contributions	-	45
Interest income and rebates	4,003	3,937
Total revenues	<u>\$180,608</u>	<u>\$152,648</u>
GRANTS & EXPENSES		
Research projects funded (notes 4 to 10)	\$107,925	\$120,586
Direct Fundraising expenses	40,836	35,346
Administrative expenses	3,076	2,990
Total grants & expenses	<u>\$151,837</u>	<u>\$158,922</u>
Excess <deficit> of revenues over grants & expenses	<u>28,771</u>	<u><\$6,274></u>

June 30, 2014

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

As at Dec. 31, 2013

	<u>Internally Restricted for Research</u>	<u>Unrestricted</u>	<u>Dec. 31, 2013</u>	<u>Dec. 31, 2012</u>
NET ASSETS				
Balance, beginning of year	\$321,335	\$43,319	\$364,654	\$370,928
Excess <deficit> of revenues over expenses, research	27,844		27,844	<7,266>
Excess <deficit> of expenses over revenues, administration		927	927	992
BALANCE, END OF YEAR	<u>\$349,179</u>	<u>\$44,246</u>	<u>\$393,425</u>	<u>\$364,654</u>

June 30, 2014

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

For the year ended December 31, 2013

	<u>Jan. 1, 2013 to</u> <u>Dec. 31, 2013</u>	<u>Jan. 1, 2012 to</u> <u>Dec. 31, 2012</u>
Cash flows from operating activities		
Net fundraising for research (note 4):		
Ontario Fundraiser	\$99,563	\$75,843
Scotiabank Waterfront Run	21,394	20,598
LAWPRO Employee Fundraising	4,850	5,223
Lauzier Family Fundraiser	3,565	7,222
Kestenberg Siegel Lipkus Casual Days	2,240	2,090
Tribute Cards	2,000	538
General Donations	712	1,527
	<hr/>	<hr/>
	134,324	113,041
Administrative contributions	-	45
Interest and rebates	4,003	3,937
Research projects:		
Jones (note 5)	-	<1,667>
Larin (note 6)	<4,375>	<11,000>
Kaddar (note 7)	-	<22,500>
Kwan (note 8)	<22,500>	<22,500>
Tarailo-Graovac (note 9)	-	<16,875>
Chu (note 10)	<17,500>	-
Mateo (Note 11)	<16,250>	-
Carreau (note 12)	<47,300>	<46,044>
Administrative costs	<1,630>	<2,711>
Net increase <decrease> in payables	<1,330>	<3,510>
Net cash generated through operating activities	<hr/>	<hr/>
	27,442	<9,784>
Cash flows from financing & investing activities	-	-
Cash & GIC's, beginning of year	<hr/>	<hr/>
Cash & GIC's, end of year	364,739	374,523
	<hr/>	<hr/>
	392,181	364,739

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

As at December 31, 2013

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. Raffles at Ontario Fundraisers 2012 and 2013

Fanconi Canada ran a 50/50 draw at the 2012 Ontario Fundraiser and a raffle for prizes at the 2013 Ontario Fundraiser, both of which required a Lottery Licence from the City of Toronto, numbered M698342 and M721698 respectively. The use of lottery proceeds must benefit Toronto resident according to the licence restrictions. Accordingly, the entire proceeds from 2012 were used to fund the research performed at the University of Toronto by Meghan Larin (see note 6), and in 2013 all the proceeds continued to fund Meghan Larin and also were used to fund Abigail Mateo of the Hospital for Sick Children in Toronto (see note 11).

5. 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 was funded equally by CIHR and Fanconi Canada from May 1, 2009 to April 30, 2012.

6. 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.

7. 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.

8. 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.

9. 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 MADI 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 November 30, 2013 with the funding increased to \$95,417, the difference of \$16,667 being fully funded by CIHR.

10. Contractual Obligations – Dr. Jeffrey S. Chu

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 Fellowship Award to Jeffrey S. Chu of the University of British Columbia for his project *Characterization of genomic alteration in C. elegans lacking Fanconi anemia pathway function* to better understand the FA pathway. The award is for \$45,000 per year for a total of \$135,000 funded equally by Fanconi Canada and CIHR from May 1, 2013 to July 1, 2016. In 2014, a one year leave of absence was approved with a new end date of June

30, 2017.

11. 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 \$35,000 per year for a total of \$105,000 funded equally by Fanconi Canada and CIHR from May 1, 2013 to April 30, 2016.

12. Contractual Obligations – Dr. Madeleine Carreau

In 2011, Fanconi Canada in partnership with the Fanconi Anemia Research Fund (FARF) of Eugene Oregon 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 was to run from January 1, 2012 to December 31, 2013 requiring \$189,192 in total, to be funded equally by Fanconi Canada and FARF. Subsequently, the project length was shortened by Dr. Carreau to one year with half the amount required for funding. On November 12, 2012 Fanconi Canada agreed to send \$94,596, thereby funding the full amount of the research in two installments, half in 2012 and the other half in 2013.

June 30, 2014

13. 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, 2013

	<u>2013</u>	<u>2012</u>
REVENUES		
Table sponsorships	\$75,520	\$65,420
Auction items	29,377	19,794
Donations	16,673	13,568
Ticket sales	9,570	10,465
Raffle tickets	5,890	633
Event novelties	691	-
Total revenues	<u>\$137,721</u>	<u>\$109,880</u>
DIRECT FUNDRAISING EXPENSES		
	<u><41,396></u>	<u><34,049></u>
Amount raised for research	<u>\$96,325</u>	<u>\$75,831</u>

14. Scotiabank Waterfront Marathon

Fanconi Canada is in the fourth year of entering a team in the Scotiabank Waterfront Marathon as its second most successful fundraising event.

Scotiabank Waterfront Marathon Amount Raised for Research (Unaudited)

For the year ended December 31, 2013

	<u>2013</u>	<u>2012</u>
REVENUES		
Team and Individual Runner Sponsorships	\$22,492	\$22,138
DIRECT FUNDRAISING EXPENSES	<u><1,098></u>	<u><1,540></u>
Amount raised for research	<u>\$21,394</u>	<u>\$20,598</u>