

Geoscience BC
Interim Statement of Financial Position
As at June 30, 2016
(Unaudited - internally-prepared)

Exhibit 'A'

Assets	\$	March 31, 2016 \$ (audited)
<i>Current assets:</i>		
Cash and cash equivalents	396,109	108,454
Investments (Note 2)	15,505,094	12,074,113
Accrued interest receivable	28,421	30,552
Amounts receivable	756,442	5,742,035
Prepaid expenses and deposits	114,412	124,856
	<u>16,800,478</u>	<u>18,080,010</u>
Capital assets	66,703	74,858
	<u>16,867,181</u>	<u>18,154,868</u>
Liabilities		
<i>Current liabilities:</i>		
Accounts payable & accrued liabilities	226,484	381,778
Deferred revenue	3,665,520	5,000,000
	<u>3,892,004</u>	<u>5,381,778</u>
Members' Equity		
Net assets restricted for approved programs (Note 3)	5,269,041	6,001,481
Unrestricted net assets (Exhibit 'B', Note 4)	7,706,136	6,771,609
	<u>12,975,177</u>	<u>12,773,090</u>
	<u>16,867,181</u>	<u>18,154,868</u>
Basis of presentation (Note 1)		
Subsequent events (Note 6)		

Refer also to accompanying notes - Exhibit 'C'

Approved By the Board:



 Director



 Director

Geoscience BC
Interim Operations Statement
For the three months ended June 30, 2016
(Unaudited - Internally-prepared)

Exhibit 'B'

	Actuals		Year ended March 31, 2016	Forecast to March 31, 2017
	\$	\$	\$	\$
Revenues:				
Grants - Provincial Government		1,334,480	100,000	1,334,480
Investment income		190,898	159,124	190,898
Program funding from third parties		15,000	712,191	15,000
Tax refunds and miscellaneous		2	30,620	2
		<u>1,540,380</u>	<u>1,001,935</u>	<u>1,540,380</u>
Expenditures:				
<u>Program, including non-refundable portion of GST:</u>				
Publishing costs	-		76,218	50,000
GIS server implementation	-		8,230	21,775
GIS server maintenance	10,343		7,996	12,500
Program management *	116,625		447,358	450,000
Program funding expended (Note 5)	<u>780,307</u>		<u>4,015,297</u>	<u>6,027,573</u> **
		<u>(907,275)</u>	<u>(4,555,099)</u>	<u>(6,561,848)</u>
<u>Scholarships:</u>				
		<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>
<u>Administration:</u>				
Salaries and Benefits *	122,949		577,871	732,000
Outreach - Government Relations and First Nations Engager	64,430		182,418	110,000
Rent and utilities	40,838		153,766	212,000
Accounting, legal, insurance	38,887		115,595	103,000
Communications, Marketing and Community Engagement	34,880		78,141	172,000
Consulting	27,391		64,984	69,000
Travel & Conferences/Conventions	18,869		115,270	114,000
Recruitment	18,360		921	1,000
Sponsorships	13,696		20,353	20,000
Meeting expenses	12,192		18,838	15,000
Investment management fees	11,205		44,046	41,000
Amortization of capital assets	8,155		26,733	42,000
Non-refundable GST/HST	6,592		23,177	23,000
Computer maintenance, internet and email	4,885		19,005	14,000
Office/miscellaneous	3,556		26,288	24,000
Photocopier	2,240		7,022	6,000
Telephone	1,328		9,475	8,000
Dues/Memberships	565		12,628	15,000
Workshops	-		13,206	6,000
Staff training and professional development	-		1,287	3,000
Office Relocation	-		20,764	-
		<u>(431,018)</u>	<u>(1,511,004)</u>	<u>(1,730,000)</u>
Income earned in excess of expenditures		<u>202,087</u>	<u>(5,114,168)</u>	<u>(6,801,468)</u>
Net decrease in unexpended funding commitments from March 31, 2016		732,440		
Add back: March 31, 2016 unexpended funding, restricted at that date		n/a		6,001,481
Balance, unrestricted net assets, March 31, 2016, audited		6,771,609		6,771,609
Balance, unrestricted net assets, June 30, 2016	(refer also to Note 4)	<u>7,706,136</u>		
		(to Exhibit 'A')		
Projected unrestricted net assets, March 31, 2017				<u>5,971,622</u>

* Program management represents the portion of staff salaries and benefits allocated to programs rather than administrative spending.

** Inclusive of \$6,001,481 in unexpended funding commitments at March 31, 2016, and exclusive of \$500,000 Approved in Principle for Phase II of the Peace Project and \$492,075 Approved in Principle for three new MDRU projects

Refer also to accompanying notes - Exhibit 'C'

1. Basis of presentation - lack of independence

These financial statements have been internally-prepared by Geoscience BC and have not been audited or reviewed by an independent public accountant. These statements are designed for the internal use of Geoscience BC members only and are not necessarily presented in a manner consistent with generally accepted accounting principles.

2. Investments

	30-Jun-16 Market value \$	31-Mar-16 Market value \$
BMO High Interest Savings account	1,949,287	1,678,847
1.25% GIC, Vancity, due July 28, 2016 (locked-in)	3,000,000	
1.67% GIC, Canadian Western Bank, due August 18, 2016 (locked-in)	1,500,000	1,500,000
1.41% GIC, Bank of Montreal, due May 5, 2017 (locked-in)	1,000,000	1,000,000
	<u>7,449,287</u>	<u>4,178,847</u>
Connor, Clark and Lunn aggregate portfolio, at market value	8,055,807	7,895,266
	<u>15,505,094</u>	<u>12,074,113</u>

Geoscience BC considers these to be 'available for sale' securities and hence they are required to be carried at current market values. The Connor, Clark and Lunn value is net of investment management fees of \$11,205, year to date, and included in the Statement of Operations as an expense.

3. Funding Commitments

Geoscience BC had approved the following undisbursed funding at June 30, 2016:

Project 2006-005 (Hart/Goldfarb, U of Western Australia)	3,633
Project 2006-029 (Hart/Goldfarb, U of Western Australia)	<u>13,307</u>
Committed during the year ended March 31, 2007:	<u>16,940</u>
Project 2008-027 (Pignotta, U of Wisconsin)	9,514
Committed during the year ended March 31, 2009:	<u>9,514</u>
Project 2009-046 (Hart, MDRU)	10,222
Project 2009-048 (Hart, MDRU)	<u>18,341</u>
Committed during the year ended March 31, 2010:	<u>28,563</u>
Minerals - consultants and logistics (funding formerly related to QUEST)	46,962
Project 2010-002-PIP (funding formerly related to QUEST)	<u>52,502</u>
Committed in the year ended March 31, 2011:	<u>99,464</u>
SEEK	19,290
Project 2011-015 (Bouzarj, MDRU)	20,042
Project 2011-021 (Pattison, U of Calgary)	<u>5,766</u>
Committed in the year ended March 31, 2012:	<u>45,098</u>
NE BC Induced Seismicity Monitoring Program	242,405
Oil & Gas - consultants, logistics, and community engagement	186,166
TREK - Consultants, logistics	44,178
TREK - Geochemistry	13,188
TREK - Geophysics	13,653
TREK - Geology & Integration	338,200
TREK - Geothermal	<u>21,054</u>
Committed in the year ended March 31, 2013:	<u>858,844</u>
Project 2013-001 (Bustin, UBC)	150,000
Project 2013-003 - Long Term Water Availability in the Horn River Basin (HRBPG)	29,750
TREK - First Nations engagement (from formerly related to QUEST)	52,752
GIS Server Implementation (formerly DAP & ArcGIS)	<u>21,775</u>
Committed in the year ended March 31, 2014:	<u>254,277</u>
Deep Aquifer Fluid Disposal Program	3,950
Project 2014-006 (Höy/Jackaman)	50,721
Project 2014-007 (Chapman/Mileham, U. of Leeds)	18,428
Project 2014-015 (Bouzarj/Hart, MDRU)	66,015
Peace Region Airborne Groundwater Mapping Project (Phases 1 & 2)	469,438
Search Project - Phase I	372,698
Project 2015-001 (Jonathan Banks, Alberta Innovates)	<u>30,000</u>
Committed in the year ended March 31, 2015:	<u>1,011,250</u>
Search Project - Phase II	1,000,000
MIKH - CMIC Partnership seed funding	45,334
Project 2015-013 - BC Natural Gas Atlas (UVic)	332,000
Project 2015-021 - New Resource Oil Plays (PRCL, Trican and Taurus)	402,250
Project 2015-022 - Direct-use Geothermal Resources in BC (Tuya Terra Corp. Geothermal Management)	49,087
Project 2015-031 - Monitoring & Risk Assessment of Anomalous Induced Seismicity (Bustins)	300,000
Project 2016-001 - Merging Geological Seismic Reflection and Magnetotelluric data (Salt Spring Imagir)	36,234
Project 2016-006 - Detrital gold as a deposit-specific indicator mineral (U of Leeds)	41,500
Project 2016-007 - Assessment of use of halogens and volatile compounds in vegetation, soil, snow (I-Project)	57,732
Project 2016-015 - BC RGS Sample Renalysis (Noble)	150,000
Project 2016-029 - Pilot project for georeferencing and data capture of National Instrument 43-101 (Pur)	5,000
Project 2016-046 - Resource Oil Compilation of BC OGC DATA (PRCL)	8,520
Project 2016-048 -NEWS	163,891
Committed in the year ended March 31 2016:	<u>2,591,548</u>
Project 2016-008: from TREK geophysical funds - Myar Consulting	91,955
Project 2016-019: from TREK geophysical funds - Noble Exploration Services Ltd.	80,350
Project 2016-036: from TREK geophysical funds - Reflex Geosciences	109,088
Project 2016-037: from TREK geophysical funds - Reflex Geosciences	25,900
Project 2016-047 - Techno-Economic assessment of Geothermal Energy Resources	20,000
Project 2016-049 - Curie Point Depth Mapping Pilot Study (Mira Geoscience)	10,250
Project 2016-052 - Peace Region Magnetics Structural Interpretation (Scott Hogg & Associates)	16,000
Committed in the three months ended June 30, 2016:	<u>353,543</u>
Restricted Funding commitments at June 30, 2016 - unspent	<u>5,269,041</u>

These funds remain on hand at June 30, 2016 but are now considered to be internally-restricted from the perspective of Geoscience BC. Refer to Notes 5 and 6.

4. Summarized net unrestricted assets from inception:

BC government grants received	58,134,480
Investment income earned, net	7,443,339
Income from other sources (third party funding, recoveries, sublease rent, etc.)	6,551,874
Publishing costs incurred	(368,818)
Administrative expenses incurred	(12,086,532)
Net program expenditures - actual and commitments	(51,968,207)
Unrestricted net assets, June 30, 2016	<u><u>7,706,136</u></u>

5. Program funding expended in the three months ended June 30, 2016, including non-refundable portion of GST:

Project 2007-017 - UBC/Mortensen	12,000
Project 2010-002-PIP (funding formerly related to QUEST)	77
Project 2009-033 - UBC/Mortensen	13,537
Project 2011-004 - HRB water monitoring study	16,617
Project 2011-015 - PIMS (MDRU)	2,494
Project 2012-002 - Woodjam (MDRU)	23,305
NE BC Induced Seismicity Monitoring Program	47,255
Project 2013-003 - HRBPG/PTAC	10,250
Peace Project	125,879
Project 2014-015 - UBC (MDRU) - Bouzari, Hart	66,015
Search Project	291,925
MIKH-CMIC Partnership Project	3,703
Project 2015-022 - Direct-use Geothermal Resources in BC (Tuya Terra Corp)	3,813
Project 2016-048 - NEWS Project	1,109
Project 2016-007 - Assessment of halogens and volatile compounds (Heberlein)	58,000
Project 2016-046 - Resource Oil Compilation (PRCL)	11,980
Project 2016-008 - TREK - MYAR Consulting	88,025
Oil & Gas - consultants, logistics, and community engagement	3,075
Minerals - consultants and logistics (funding formerly related to QUEST)	1,248
	<u><u>780,307</u></u>

6. Subsequent events

Between July 1st and November 25th, 2016 Geoscience BC disbursed an aggregate of \$1,442,967 in previously-approved program spending.