

Geoscience BC
Interim Statement of Financial Position
As at September 30, 2014
(Unaudited - internally-prepared)

Exhibit 'A'

Assets	\$	31-Mar-14 \$ (audited)
<i>Current assets:</i>		
Cash and cash equivalents	389,747	259,992
Investments (Note 2)	13,258,670	12,131,923
Accrued interest receivable	35,743	44,662
Amounts receivable	88,310	3,204,695
Prepaid expenses and deposits	61,723	72,662
	<u>13,834,193</u>	<u>15,713,934</u>
 Capital assets	 23,315	 22,005
	<u><u>13,857,508</u></u>	<u><u>15,735,939</u></u>
 Liabilities		
<i>Current liabilities:</i>		
Accounts payable & accrued liabilities	<u>112,803</u>	<u>325,930</u>
 Members' Equity		
Net assets restricted for approved programs (Note 3)	3,890,832	4,144,643
Unrestricted net assets (Exhibit 'B', Note 4)	<u>9,853,873</u>	<u>11,265,366</u>
	<u>13,744,705</u>	<u>15,410,009</u>
	<u><u>13,857,508</u></u>	<u><u>15,735,939</u></u>
 Basis of presentation (Note 1)		
Subsequent events (Note 5)		

Refer also to accompanying notes - Exhibit 'C'

Geoscience BC
Interim Operations Statement
For the six months ended September 30, 2014
(Unaudited - internally-prepared)

Exhibit 'B'

	Actuals		Year ended March 31, 2014	Forecast to March 31, 2015
	\$	\$	\$	\$
Revenues:				
Grants - Provincial Government		-	3,000,000	-
Investment income		396,685	643,055	396,685
Program funding from third parties		-	569,213	-
Sublease income		8,848	17,700	10,984
Other - income tax refund and miscellaneous		-	10,199	-
		<u>405,533</u>	<u>4,240,167</u>	<u>407,669</u>
Expenditures:				
<u>Program:</u>				
Publishing costs	10,947		27,887	50,000
GIS server implementation	2,650		68,457	35,700
GIS server maintainance	9,886		7,855	12,500
Program management *	165,424		303,405	300,000
Program funding awarded expended, including non-refundable portion of GST:			3,233,392	5,090,834 **
Project 2010-002-PIP (funding formerly related to QUEST)	358			
Project 2011-004 HRB water monitoring study	119,946			
Project 2011-016 (Bissig, MDRU)	2,249			
Project 2012-008 (CanGEA)	5,000			
SEEK	39,938			
NE BE Seismic program	435			
TREK - First Nations engagement (from QUEST funds)	17,911			
TREK - Geochem	464,880			
TREK - consultants, logistics	6,606			
TREK - Geology & Integration	321,200			
TREK - Geothermal	37,483			
TREK - Biogeochemistry	11,470			
Deep Aquifer Fluid Disposal Program	66,000			
Project 2014-001 (CSA Global)	19,550			
Project 2014-005 (Cal Data)	14,375			
Project 2014-006 (Höy/Jackaman)	33,814			
Project 2014-009 (Yehia, Myar Consulting)	33,175			
Project 2014-011 (Sanchez, Bissig, Kowalczyk)	30,000			
Minerals - consultants and logistics (funding formerly related to QUEST)	4,801			
Oil & Gas - consultants, logistics, and community engagement	3,862			
		<u>(1,421,960)</u>	<u>(3,640,996)</u>	<u>(5,489,034)</u>
<u>Scholarships:</u>	35,000			
		<u>(35,000)</u>	<u>(25,000)</u>	<u>(35,000)</u>
<u>Administration:</u>				
Salaries and Benefits *	229,017		481,527	450,000
Travel & Conferences/Conventions	68,141		79,834	148,000
Rent and utilities	62,495		126,477	125,000
Consulting	52,883		59,568	90,000
Accounting, legal, insurance	51,972		89,860	100,000
Outreach - Government Relations and First Nations Engagement	40,216		90,096	100,000
Investment management fees	23,606		31,180	45,000
Communications, Marketing and Community Engagement	22,708		71,086	165,000
Sponsorships	14,733		18,174	20,000
Meeting expenses	10,921		7,521	20,000
Office/miscellaneous	8,558		18,368	17,000
Non-refundable GST/HST	8,493		16,017	15,800
Computer maintenance, internet and email	7,724		9,581	10,000
Amortization of capital assets	5,573		8,077	11,000
Photocopier	2,834		5,157	5,700
Telephone	2,585		5,895	6,000
Dues/Memberships	719		6,619	7,000
Staff training and professional development	699		1,835	2,000
Recruitment	-		35,725	-
Workshops	-		4,863	5,000
		<u>(613,877)</u>	<u>(1,167,460)</u>	<u>(1,342,500)</u>
Expenditures in excess of income earned		<u>(1,665,304)</u>	<u>(593,289)</u>	<u>(6,458,865)</u>
Net decrease in unexpended funding commitments from March 31, 2014		253,811		
Add back: March 31, 2014 unexpended funding, restricted at that date		n/a		4,144,643
Balance, unrestricted net assets, March 31, 2014, audited		11,265,366		11,265,366
Balance, unrestricted net assets, September 30, 2014	(refer also to Note 4)	<u>9,853,873</u>		
		(to Exhibit 'A')		
Projected unrestricted net assets, March 31, 2015				<u>8,951,144</u>

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

** inclusive of \$4,144,643 in unexpended funding commitments at March 31, 2014 and exclusive of \$1,500,000 approved in principal for the Peace Region Airborne Groundwater Mapping Project

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-Sep-14 Market value \$	31-Mar-14 Market value \$
BMO High Interest Savings account	-	500,488
1.4% cashable GIC, VanCity, due April 30, 2014	-	1,200,000
1.3% cashable GIC, Bank of Montreal, due November 3, 2014	2,090,588	3,090,588
1.76% GIC, Bank of Montreal, due May 1, 2015 (locked-in)	1,000,000	-
1.71% GIC, VanCity, due August 18, 2015 (locked-in)	1,500,000	2,000,000
	<u>4,590,588</u>	<u>6,791,076</u>
Connor, Clark and Lunn aggregate portfolio, at market value	8,668,082	5,340,847
	<u>13,258,670</u>	<u>12,131,923</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 \$23,606, 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 September 30, 2014:

Project 2006-005 - Hart/Goldfarb, U of Western Australia	3,633
Project 2006-029 - Hart/Goldfarb, U of Western Australia	13,307
Committed during the year ended March 31, 2007:	<u>16,940</u>
Project 2007-017 - Mortensen, UBC	12,000
Committed during the year ended March 31, 2008:	<u>12,000</u>
Project 2007-026 - Ward, SFU	41,240
Project 2008-027 - Pignotta, U of Wisconsin	9,514
Committed during the year ended March 31, 2009:	<u>50,754</u>
Montney Basin Aquifer Study and related components	53,591
Project 2009-033 - Mortensen, UBC	13,538
Project 2009-041 - Phillips, Mira Geoscience	16,125
Project 2009-046 - Hart, MDRU	10,222
Project 2009-048 - Hart, MDRU	18,341
Committed during the year ended March 31, 2010:	<u>111,817</u>
Project 2009-001 - Hart, MDRU	21,000
Minerals consultants and logistics (from funding formerly related specifically to QUEST programs)	52,339
Project 2010-002 - PIP (from funding formerly QUEST, QW, QS consultants & logistics)	35,622
Committed in the year ended March 31, 2011:	<u>108,961</u>
Project 2011-004-Horn River Basin - Phase 2 subsurface water monitoring program	274,643
SEEK - Phase 1 - East Kootenay Chamber of Mines	94,287
Project 2011-015 - Bouzari, MDRU	22,536
Project 2011-021 - Pattison, U of Calgary	5,766
Committed in the year ended March 31, 2012:	<u>397,232</u>
Project 2012-002 - Hart, MDRU	23,305
NE BC Induced Seismicity Monitoring Program	427,217
Oil & Gas consultants and logistics	198,711
TREK - consultants, logistics, marketing	45,971
TREK - geochemistry	262,767
TREK - geophysics	408,971
TREK - geology and integration	498,800
TREK - geothermal	55,882
Committed in the year ended March 31, 2013:	<u>1,921,624</u>
Project 2013-001 - Bustin	300,000
Project 2013-003 - HRBPG	65,000
TREK - Biogeochemistry	7,647
TREK First Nations Engagement (funding formerly QUEST, QW, QS community engagement)	52,752
GIS Server (formerly DAP & ArcGIS)	33,019
Committed in the year ended March 31, 2014:	<u>458,418</u>
Project 2014-DAFD02/03	334,000
Project 2014-001	19,550
Project 2014-005	14,375
Project 2014-006	135,256
Project 2014-007	26,680
Project 2014-011	30,000
Project 2014-009	33,175
Project 2014-015	220,050
Committed in the six months ended September 30, 2014:	<u>813,086</u>
Restricted Funding commitments at September 30, 2014 - unspent	<u>3,890,832</u>

These funds remain on hand at September 30, 2014 but are now considered to be internally-restricted from the perspective of Geoscience BC. Refer to Note 5.

4. Summarized net unrestricted assets from inception:

BC government grants received	51,700,000
Investment income earned, net	6,328,356
Income from other sources (third party funding, recoveries, sublease rent, etc.)	5,400,520
Publishing costs incurred	(265,451)
Administrative expenses incurred	(9,189,073)
Net program expenditures - actual and commitments	(44,120,479)
	<u>9,853,873</u>
Unrestricted net assets, September 30, 2014	<u>9,853,873</u>

5. Subsequent events

Between October 1st and November 27th, 2014 Geoscience BC disbursed an aggregate of \$189,113 in previously-approved program spending.