

Geoscience BC Society
Interim Statement of Financial Position
As at June 30, 2020
(Unaudited - internally-prepared)

Exhibit 'A'

| | June 30, 2020 | March 31, 2020 |
|--|---------------|----------------|
| ASSETS | \$ | \$ |
| | | (audited) |
| Current assets | | |
| Cash and cash equivalents | 153,669 | 356,547 |
| Investments (Note 3) | 10,915,601 | 11,084,896 |
| Accrued interest receivable | 14,245 | 7,860 |
| Amounts receivable | 61,354 | 231,378 |
| Prepaid expenses and deposits | 105,738 | 162,847 |
| | 11,250,607 | 11,843,528 |
| Capital assets | 83,644 | 105,648 |
| | 11,334,251 | 11,949,176 |
| LIABILITIES AND DEFERRED CONTRIBUTIONS | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | 125,487 | 172,724 |
| Deferred revenue contributions | 120,604 | 120,604 |
| | 246,091 | 293,328 |
| NET ASSETS | | |
| Restricted net assets for approved projects (Note 4) | 5,560,138 | 5,787,031 |
| Unrestricted net assets (Note 5) | 5,528,022 | 5,868,817 |
| | 11,088,160 | 11,655,848 |
| | 11,334,251 | 11,949,176 |

Basis of presentation (Note 1)
 Subsequent events (Note 7)

Refer also to accompanying notes - Exhibit 'C'

Approved By the Board:

 Gavin C. Dirom
 President & CEO, Director

 John Milne
 Treasurer, Director

Geoscience BC Society
Interim Statement of Revenues and Expenditures
For the three months ended June 30, 2020
(Unaudited - internally-prepared)

| |
|-------------|
| Exhibit 'B' |
|-------------|

| | Three months ended June 30, 2020 | Three months ended June 30, 2019 |
|--|--|--|
| Revenues | | |
| British Columbia government grant funding | - | 1,826,059 |
| Project partner funding | - | 15,000 |
| Investment and other income | 346,822 | 159,082 |
| Total revenues | <u>346,822</u> | <u>2,000,141</u> |
| Expenditures | | |
| Expenditures - projects | | |
| Minerals | 248,640 | 925,066 |
| Energy | 160,719 | 327,576 |
| Water | - | - |
| Total Minerals, Energy and Water projects (Note 4) | <u>409,359</u> | <u>1,252,642</u> |
| Geoscience scholarships | 50,000 | 50,000 |
| Project management and technical support (Note 6) | <u>206,796</u> | <u>214,919</u> |
| Total expenditures - projects | <u>666,155</u> | <u>1,517,561</u> |
| Expenditures - administrative | | |
| Governance, management and finance (Note 6) | 178,358 | 181,429 |
| Public access and data management (Note 6) | 20,789 | 17,126 |
| External relations and communications (Note 6) | <u>49,208</u> | <u>109,943</u> |
| Total expenditures - administrative | <u>248,355</u> | <u>308,498</u> |
| Total expenditures | 914,510 | 1,826,059 |
| (Deficiency) excess of revenues over expenditures | (567,688) | 174,082 |

Refer also to accompanying notes - Exhibit 'C'

1. Basis of presentation

The purpose of Geoscience BC Society ("Geoscience BC" or "the Society") is to undertake and support the independent collection and public dissemination of earth science research in British Columbia.

These interim 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 Canadian accounting standards for not-for-profit organizations. Accordingly, these statements should be read in conjunction with the Society's most recent annual financial statements as at and for the year ended March 31, 2020, available on Geoscience BC's website.

2. New accounting policy - Allocation of expenditures

On April 1, 2019, Geoscience BC adopted a new accounting policy in respect of its allocation of expenditures, with expenditures being accounted for retrospectively resulting in no changes to its opening net assets for the periods presented.

The Society generates independent, relevant, public earth science research and data about British Columbia's minerals, energy and water resources. The costs of managing each of the Society's projects include the costs of personnel, and other expenditures that are directly related to project provision. The Society also incurs a number of general support expenditures that are common to the administration of the Society and each of its projects.

The Society allocates certain expenditures by identifying the appropriate basis of allocating each component expenditure, and applies that basis consistently for each period disclosed. General support expenditures are allocated to the following functions based on personnel time and directly related expenditures: Project management and technical support; Governance, management and finance; Public access and data management; and External relations and communications. The amounts and the functions to which they have been allocated are disclosed in Note 6.

3. Investments

| | Market Value | |
|---|--------------------|----------------------|
| | Jun 30, 2020 \$ | March 31, 2020 \$ |
| BMO Nesbitt Burns High Interest Savings account | 3,470,841 | 3,966,614 |
| Guaranteed Investment Certificates ("GIC's") | 1,000,000 | 1,000,000 |
| | 4,470,841 | 4,966,614 |
| Connor, Clark and Lunn aggregate portfolio, at market value | 6,444,760 | 6,118,282 |
| | 10,915,601 | 11,084,896 |

Geoscience BC considers its investments to be 'available for sale' securities and hence they are carried at current market values. The Connor, Clark and Lunn value is net of investment management fees of \$9,157, year to date, and included in the Society's Interim Statement of Revenues and Expenditures.

4. Changes in restricted assets related to Mineral, Energy and Water project commitments

| | Three months ended June 30, 2020 | | | |
|---|----------------------------------|-----------------|----------------|-----------|
| | Minerals projects | Energy projects | Water projects | Total |
| Restricted assets - beginning of period | 3,253,630 | 1,748,018 | 785,383 | 5,787,031 |
| Funds restricted (unrestricted) in period | 7,466 | 175,000 | - | 182,466 |
| Project expenditures | (248,640) | (160,719) | - | (409,359) |
| Restricted assets - end of period | 3,012,456 | 1,762,299 | 785,383 | 5,560,138 |

| | Year ended March 31, 2020 | | | |
|---|---------------------------|-----------------|----------------|-------------|
| | Minerals projects | Energy projects | Water projects | Total |
| Restricted assets - beginning of period | 6,473,455 | 2,203,730 | 273,472 | 8,950,657 |
| Funds restricted (unrestricted) in period | 157,459 | 984,082 | 875,091 | 2,016,632 |
| Project expenditures | (3,377,284) | (1,439,794) | (363,180) | (5,180,258) |
| Restricted assets - end of period | 3,253,630 | 1,748,018 | 785,383 | 5,787,031 |

5. Summarized changes to unrestricted net assets from inception, April 26, 2005 to June 30, 2020

| | |
|---|------------------|
| BC government grants received | 76,800,000 |
| Investment income earned, net | 9,382,128 |
| Direct project partner funding (including \$120,604 deferred revenue) | 7,858,839 |
| Income from other sources (recoveries, sublease rent, etc.) | 161,756 |
| Administrative expenditures incurred | (17,325,744) |
| Project expenditures incurred | (65,788,819) |
| Restricted net assets for approved projects | (5,560,138) |
| Unrestricted net assets, March 31, 2020 | 5,528,022 |

6. Allocation of unrestricted expenditures

| Three months ended June 30, 2020 | Project Management and Technical Support | Governance, Management and Finance | Public Access and Data Management | External Relations and Communications | Totals |
|---|--|------------------------------------|-----------------------------------|---------------------------------------|---------|
| Salaries and benefits | 183,004 | 73,164 | 7,987 | 33,094 | 297,249 |
| Consultants | 7,438 | 29,480 | 21 | 1,534 | 38,473 |
| Professional fees, dues and memberships | 621 | 16,846 | - | 8,551 | 26,018 |
| Office rent, property tax and operating costs | - | 48,153 | - | - | 48,153 |
| Information Technology | - | - | 11,017 | - | 11,017 |
| Geographic Information Systems (GIS) server maintenance | 12,629 | - | - | - | 12,629 |
| Project reporting and technical summaries | 2,541 | - | - | - | 2,541 |
| Sponsorships | - | - | - | 2,500 | 2,500 |
| Communications tools | - | - | - | 2,457 | 2,457 |
| Conferences, meetings, travel and events | - | 20 | - | 15 | 35 |
| Office supplies, couriers, telephone, other | 563 | 7,142 | 1,766 | 7 | 9,478 |
| Amortization | - | 3,553 | - | - | 3,553 |
| Website maintenance | - | - | - | 1,050 | 1,050 |
| | 206,796 | 178,358 | 20,789 | 49,208 | 455,152 |

| Three months ended June 30, 2019 | Project Management and Technical Support | Governance, Management and Finance | Public Access and Data Management | External Relations and Communications | Totals |
|---|--|------------------------------------|-----------------------------------|---------------------------------------|---------|
| Salaries and benefits | 189,118 | 74,561 | 2,872 | 35,462 | 302,013 |
| Consultants | 7,709 | 33,441 | 21 | 1,780 | 42,950 |
| Professional fees, dues and memberships | - | 9,904 | - | 8,293 | 18,197 |
| Office rent, property tax and operating costs | - | 46,808 | - | - | 46,808 |
| Information Technology | - | - | 14,233 | - | 14,233 |
| Geographic Information Systems (GIS) server maintenance | 11,298 | - | - | - | 11,298 |
| Project reporting and technical summaries | 468 | - | - | - | 468 |
| Sponsorships | - | - | - | 35,400 | 35,400 |
| Communications tools | - | - | - | 7,392 | 7,392 |
| Conferences, meetings, travel and events | 5,628 | 4,098 | - | 21,497 | 31,224 |
| Office supplies, couriers, telephone, other | 699 | 9,618 | - | 119 | 10,436 |
| Amortization | - | 2,998 | - | - | 2,998 |
| Website rebuild | - | - | - | - | - |
| | 214,919 | 181,429 | 17,126 | 109,943 | 523,417 |

7. Subsequent events

Between July 1st and September 8th, 2020 Geoscience BC disbursed an aggregate of \$137,201 in previously-approved project spending.