

Geoscience BC
Interim Statement of Financial Position
As at December 31, 2011
(Unaudited - internally-prepared)

Exhibit 'A'

Assets	\$	31-Mar-11 \$ (audited)
<i>Current assets:</i>		
Cash and cash equivalents	127,156	83,923
Investments (Note 2)	18,419,592	10,198,811
Accrued interest receivable	27,431	13,623
Amounts receivable	214,164	12,073,539
Prepaid expenses	2,123	3,647
	18,790,466	22,373,543
Capital assets	7,095	11,687
	18,797,561	22,385,230
Liabilities		
<i>Current liabilities:</i>		
Accounts payable & accrued liabilities	73,520	110,839
Members' Equity		
Net assets restricted for approved programs (Note 3)	4,569,924	2,873,470
Unrestricted net assets (Exhibit 'B', Note 4)	14,154,117	19,400,921
	18,724,041	22,274,391
	18,797,561	22,385,230
Basis of presentation (Note 1)		
Subsequent events (Note 5)		

Refer also to accompanying notes - Exhibit 'C'

Geoscience BC
Interim Operations Statement
For the nine months ended December 31, 2011
(Unaudited - internally-prepared)

Exhibit 'B'

	Actuals	Forecast to March 31, 2012
	\$	\$
Revenues:		
Investment income	327,482	327,482
Project funding from third parties - Horn River Basin Pilot EM survey project participants	95,000	95,000
Project funding returned unused - Project 2008-025	5,502	5,502
Workshop proceeds	18,815	18,815
Sublease income	11,560	15,380
	<u>458,359</u>	<u>462,179</u>
Expenditures:		
<u>Program:</u>		
Publishing costs	18,605	50,000
Project funding awarded expended:		8,361,970 *
Project 2006-046	28,500	
Project 2007-016	7,265	
Project 2007-019	1,252	
Project 2008-012	6,520	
Project 2008-027	14,271	
Project 2008-028	13,980	
Project 2008-031	12,390	
Project 2009-020	10,874	
Project 2009-022	55,613	
Project 2009-023	10,364	
Project 2009-029	4,708	
Project 2009-030	3,918	
Project 2009-044	12,956	
Project 2009-046	15,332	
Project 2009-048	27,512	
Project 2010-001	12,157	
Project 2010-007	5,550	
Project 2010-008	106,867	
Project 2011-004	205,299	
Project 2011-011	20,174	
Project 2011-012	15,000	
QUEST-NW002	242,627	
QUEST-NW003 BCGS/MDRU bedrock mapping program	381,053	
QUEST-NW004	1,005,137	
QUEST-NW005	483,117	
QUEST projects - consultants, logistics	30,157	
QUEST projects - community consultations	72,627	
SEEK - Phase 1 - East Kootenay Chamber of Mines	1,592	
Horn River Basin - Phase 2 (water study, airborne EM and marketing)	341,905	
Montney Basin Aquifer Study and related components	61,550	
Oil & Gas - consultants, logistics, and community engagement	60,604	
	<u>(3,289,476)</u>	<u>(8,411,970)</u>
<u>Scholarships:</u>	40,000	
	<u>(40,000)</u>	<u>(40,000)</u>
<u>Administration:</u>		
Salaries & Benefits	355,970	600,000
Rent and utilities	89,485	125,000
Investment management fees	43,822	50,000
Travel & Conferences/Conventions	39,364	80,000
Communications, Marketing and Community Engagement	32,654	60,000
Accounting, legal, insurance	31,793	55,000
Non-refundable GST/HST	15,641	56,000
Consulting	15,325	55,000
Office/miscellaneous	10,250	40,000
Meeting expenses	9,917	12,000
Computer maintenance, internet and email	8,997	15,000
Amortization of capital assets	7,912	12,000
Staff training & professional development	5,714	6,000
Telephone	5,263	9,000
Dues/Memberships	3,008	3,500
Photocopier	2,594	3,200
Sponsorships	1,524	20,000
	<u>(679,233)</u>	<u>(1,201,700)</u>
Expenditures in excess of income earned	<u>(3,550,350)</u>	<u>(9,191,491)</u>
Net increase in unexpended funding commitments from March 31, 2011	(1,696,454)	
Add back: March 31, 2011 unexpended funding, restricted at that date	n/a	2,873,470
Balance, unrestricted net assets, March 31, 2011, audited	19,400,921	19,400,921
Balance, unrestricted net assets, December 31, 2011	(refer also to Note 4) <u>14,154,117</u>	
	(to Exhibit 'A')	
Projected unrestricted net assets, March 31, 2012		<u>13,082,900</u>

* inclusive of \$2,873,470 in unexpended funding commitments at March 31, 2011.

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

	31-Dec-11 Market value \$	31-Mar-11 Market value \$
1.45% GIC, TD Mortgage Corp., due February 1, 2012	500,000	-
1.4% GIC, TD Mortgage Corp., due May 7, 2012	2,500,000	3,750,000
1.3% GIC, Advisor's Advantage Trust, due May 22, 2012	3,000,000	-
1.5% GIC, TD Mortgage Corp., due August 27, 2012	500,000	-
Dundee investment savings account	-	255,111
	<u>6,500,000</u>	<u>4,005,111</u>
Connor, Clark and Lunn aggregate portfolio, at market value	11,919,592	6,193,700
	<u>18,419,592</u>	<u>10,198,811</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 \$43,822, 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 December 31, 2011:

	\$
Project 2006-005	3,633
Project 2006-029	13,307
Committed during the year ended March 31, 2007:	<u>16,940</u>
Project 2007-012	9,575
Project 2007-017	12,000
Committed during the year ended March 31, 2008:	<u>21,575</u>
QUEST, QUEST-West, QUEST-South community engagement	137,502
Data Compilations	151,634
Project 2007-026	41,240
Project 2008-012	1,630
Project 2008-018	36,475
Project 2008-027	9,514
Project 2008-014	110,757
Project 2009-003	15,000
Committed during the year ended March 31, 2009:	<u>503,752</u>
Project 2008-013	150,000
Project 2008-024	5,966
Montney Basin Aquifer Study and related components	74,653
Project 2008-031	100,837
Project 2009-009	25,833
Project 2009-022	18,538
Project 2009-024	42,912
Project 2009-029	3,139
Project 2009-033	13,538
Project 2009-040	79,150
Project 2009-041	16,125
Project 2009-044	8,638
Project 2009-046	10,222
Project 2009-048	18,341
Oil & Gas consultants and logistics	63,521
Committed during the year ended March 31, 2010:	<u>631,413</u>
Project 2009-001	21,000
Project 2010-002 - QUEST, QW, QS consultants and logistics	189,272
Project 2010-004	76,470
Project 2010-005	20,000
Project 2010-007	3,700
Committed in the year ended March 31, 2011:	<u>310,442</u>
QUEST-NW002 New regional geochem studies in Dease Lake/North Iskut area	257,373
QUEST-NW003 BCGS/MDRU bedrock mapping program	118,947
QUEST-NW004 high resolution airborne magnetic survey - Dease Lake/N Iskut area	(5,137)
QUEST-NW005 high resolution airborne magnetic survey - Telegraph Creek area	516,883
QUEST-NW006 purchase of existing company aeromagnetic data	250,000
Project 2011-004-Horn River Basin - Phase 2 subsurface water monitoring program	1,151,002
Project 2011-011-OGC Regional Hydrology Study of NE BC by Allan Chapman	39,826
Project 2011-012	5,000
SEEK - Phase 1 - East Kootenay Chamber of Mines	248,408
Project 2011-015	225,360
Project 2011-016	121,430
Project 2011-018	99,050
Project 2011-021	57,660
Committed during the nine months ended December 31, 2011:	<u>3,085,802</u>
Restricted Funding commitments at December 31, 2011 - unspent	<u>4,569,924</u>

These funds remain on hand at December 31, 2011 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	48,700,000
Investment income earned, net	3,893,380
Income from other sources (third party funding, recoveries, sublease rent, etc.)	3,606,186
Publishing costs incurred	(195,463)
Administrative expenses incurred	(6,025,479)
Net program expenditures - actual and commitments	(35,824,507)
	<u>14,154,117</u>
Unrestricted net assets, December 31, 2011	<u>14,154,117</u>

5. Subsequent events

Between January 1st and February 17th, 2012 Geoscience BC disbursed an aggregate of \$14,391 in previously-approved program spending.