

Geoscience BC
Interim Statement of Financial Position
As at December 31, 2015
(Unaudited - internally-prepared)

Exhibit 'A'

Assets	\$	March 31, 2015 \$ (audited)
<i>Current assets:</i>		
Cash and cash equivalents	155,147	608,715
Investments (Note 2)	12,811,088	12,459,862
Accrued interest receivable	31,674	33,651
Amounts receivable	121,284	5,271,766
Prepaid expenses and deposits	101,311	80,742
	<u>13,220,504</u>	<u>18,454,736</u>
Capital assets	77,254	16,012
	<u><u>13,297,758</u></u>	<u><u>18,470,748</u></u>
Liabilities		
<i>Current liabilities:</i>		
Accounts payable & accrued liabilities	123,709	437,418
Deferred revenue	-	125,308
	<u>123,709</u>	<u>562,726</u>
Members' Equity		
Net assets restricted for approved programs (Note 3)	5,775,643	6,684,997
Unrestricted net assets (Exhibit 'B', Note 4)	7,398,406	11,223,025
	<u>13,174,049</u>	<u>17,908,022</u>
	<u><u>13,297,758</u></u>	<u><u>18,470,748</u></u>
Basis of presentation (Note 1)		
Subsequent events (Note 6)		

Refer also to accompanying notes - Exhibit 'C'

Geoscience BC
Interim Operations Statement
For the nine months ended December 31, 2015
(Unaudited - internally-prepared)

Exhibit 'B'

	Actuals		Year ended March 31, 2015	Forecast to March 31, 2016
	\$	\$	\$	\$
<i>Revenues:</i>				
Grants - Provincial Government		-	5,000,000	-
Investment income		142,522	1,154,288	142,522
Program funding from third parties		165,308	395,643	165,308
Sublease income		-	10,984	-
Miscellaneous		23,262	3,120	23,262
		<u>331,092</u>	<u>6,564,035</u>	<u>331,092</u>
<i>Expenditures:</i>				
<u>Program, including non-refundable portion of GST:</u>				
Publishing costs	62,289		40,312	50,000
GIS server implementation	2,477		5,663	30,000
GIS server maintenance	12,660		11,447	12,500
Program management *	313,396		380,979	400,000
Program funding expended (Note 5)	<u>3,510,646</u>		<u>2,231,238</u>	<u>9,290,400</u> **
		<u>(3,901,468)</u>	<u>(2,669,639)</u>	<u>(9,782,900)</u>
<u>Scholarships:</u>				
	<u>50,000</u>			
		<u>(50,000)</u>	<u>(35,000)</u>	<u>(50,000)</u>
<u>Administration:</u>				
Salaries and Benefits *	388,926		549,642	550,000
Outreach - Government Relations and First Nations Engager	145,762		105,206	150,000
Rent and utilities	114,803		124,455	168,500
Travel & Conferences/Conventions	82,769		150,132	120,000
Accounting, legal, insurance	77,973		114,151	105,000
Consulting	54,292		74,849	80,000
Communications, Marketing and Community Engagement	53,587		65,449	75,000
Investment management fees	33,046		47,882	44,000
Office Relocation	20,764		-	20,000
Sponsorships	20,103		15,720	25,000
Office/miscellaneous	19,932		21,169	27,000
Amortization of capital assets	18,437		10,911	22,000
Non-refundable GST/HST	17,728		19,221	20,000
Computer maintenance, internet and email	16,619		12,639	20,000
Workshops	13,206		-	13,500
Dues/Memberships	11,308		12,557	12,000
Meeting expenses	11,150		20,909	12,000
Telephone	6,264		6,728	7,000
Photocopier	4,745		5,344	5,500
Staff training and professional development	1,287		4,419	2,000
Recruitment	<u>896</u>		<u>-</u>	<u>1,500</u>
		<u>(1,113,597)</u>	<u>(1,361,383)</u>	<u>(1,480,000)</u>
Expenditures in excess of income earned		<u>(4,733,973)</u>	<u>2,498,013</u>	<u>(10,981,808)</u>
Net decrease in unexpended funding commitments from March 31, 2015		909,354		
Add back: March 31, 2015 unexpended funding, restricted at that date		n/a		6,684,997
Balance, unrestricted net assets, March 31, 2015, audited		11,223,025		11,223,025
Balance, unrestricted net assets, December 31, 2015	(refer also to Note 4)	<u>7,398,406</u>		
		(to Exhibit 'A')		
Projected unrestricted net assets, March 31, 2016				<u>6,926,214</u>

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

** inclusive of \$6,684,997 in unexpended funding commitments at March 31, 2015, and exclusive of \$500,000 Approved in Principle for Phase II of the Peace 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

	31-Dec-15 Market value \$	31-Mar-15 Market value \$
BMO High Interest Savings account	1,412,475	1,096,592
1.76% GIC, Bank of Montreal, due May 1, 2015 (locked-in)	-	1,000,000
1.71% GIC, Bank of Montreal, due August 18, 2015 (locked-in)	-	1,500,000
1.4% GIC, VanCity, due March 7, 2016 (locked-in)	1,000,000	1,000,000
1.55% GIC, Montreal Trust, due May 4, 2016 (locked-in)	1,000,000	
1.67% GIC, Canadian Western Bank, due August 18, 2016 (locked-in)	1,500,000	-
	<u>4,912,475</u>	4,596,592
Connor, Clark and Lunn aggregate portfolio, at market value	7,898,613	7,863,270
	<u>12,811,088</u>	<u>12,459,862</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 \$33,046, 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, 2015:

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 2007-017 (Mortensen, UBC)	<u>12,000</u>
Committed during the year ended March 31, 2008:	<u>12,000</u>
Project 2008-027 (Pignotta, U of Wisconsin)	<u>9,514</u>
Committed during the year ended March 31, 2009:	<u>9,514</u>
Project 2009-033 (Mortensen, UBC)	13,538
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>42,101</u>
Minerals - consultants and logistics (funding formerly related to QUEST)	51,724
Project 2010-002-PIP (funding formerly related to QUEST)	<u>18,937</u>
Committed in the year ended March 31, 2011:	<u>70,661</u>
Project 2011-004 HRB water monitoring study (includes \$150,000 extension)	174,355
SEEK	19,290
Project 2011-015 (Bouzari, MDRU)	22,536
Project 2011-021 (Pattison, U of Calgary)	<u>5,766</u>
Committed in the year ended March 31, 2012:	<u>221,947</u>
Project 2012-002 (Hart, MDRU)	23,305
NE BC Induced Seismicity Monitoring Program	314,890
Oil & Gas - consultants, logistics, and community engagement	191,559
TREK - Consultants, logistics	44,965
TREK - Geochemistry	60,846
TREK - Geophysics	408,971
TREK - Geology & Integration	338,200
TREK - Geothermal	<u>21,054</u>
Committed in the year ended March 31, 2013:	<u>1,403,790</u>
Project 2013-001 (Bustin, UBC)	300,000
Project 2013-003 - Long Term Water Availability in the Horn River Basin (HRBPG)	40,000
TREK - First Nations engagement (from formerly related to QUEST)	52,752
GIS Server Implementation (formerly DAP & ArcGIS)	<u>27,528</u>
Committed in the year ended March 31, 2014:	<u>420,280</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 (Bouzari/Hart, MDRU)	132,030
Peace Region Airborne Groundwater Mapping Project (Phases 1 & 2)	627,627
Search Project - Phase I	686,754
Project 2015-001 (Jonathan Banks, Alberta Innovates)	<u>60,000</u>
Committed in the year ended March 31, 2015:	<u>1,579,510</u>
Search Project - Phase II	1,000,000
Project 2015-013 - BC Natural Gas Atlas (UVic)	320,000
Project 2015-021 - New Resource Oil Plays (PRCL, Trican and Taurus)	576,000
CMIC Partnership seed funding	50,000
Direct-use Geothermal Resources in BC (Tuya Terra Corp. and Geothermal Management Company)	<u>52,900</u>
Committed in the nine months ended December 31, 2015:	<u>1,998,900</u>
Restricted Funding commitments at December 31, 2015 - unspent	<u>5,775,643</u>

These funds remain on hand at December 31, 2015 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	56,700,000
Investment income earned, net	7,228,481
Income from other sources (third party funding, recoveries, sublease rent, etc.)	5,989,989
Publishing costs incurred	(357,909)
Administrative expenses incurred	(11,242,336)
Net program expenditures - actual and commitments	(50,919,819)
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Unrestricted net assets, December 31, 2015	<u>7,398,406</u>

5. Program funding expended in the nine months ended December 31, 2015, including non-refundable portion of GST:

Peace Region Airborne Groundwater Mapping Project	1,403,356
Search Project	727,655
Project 2015-013 - BC Natural Gas Atlas (UVic)	200,000
Project 2011-004 HRB water monitoring study	172,786
TREK - Geology & Integration	160,600
Deep Aquifer Fluid Disposal Program	160,440
Project 2015-021 - New Resource Oil Plays (PRCL, Trican and Taurus)	139,000
TREK - Geochemistry	111,302
Direct-use Geothermal Resources in BC (Tuya Terra Corp. and Geothermal Management Comp	107,100
NE BC Induced Seismicity Monitoring Program	96,293
Project 2014-037 Economic Viability of Geothermal Resources in British Columbia	59,654
Project 2014-006 (Höy/Jackaman)	42,268
Project 2013-003 - Long Term Water Availability in the Horn River Basin (HRBPG)	25,000
SEEK	23,963
Project 2014-009 (Yehia, Myar Consulting)	19,743
TREK - Geothermal	18,282
Project 2014-011 (Sanchez, Bissig, Kowalczyk)	18,000
Project 2014-001 (CSA Global)	11,669
Oil & Gas - consultants, logistics, and community engagement	6,572
Minerals - consultants and logistics (funding formerly related to QUEST)	5,341
TREK - General & Project Management	1,006
Project 2010-002-PIP (funding formerly related to QUEST)	616
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	<u>3,510,646</u>

6. Subsequent events

Between January 1st and February 26th, 2016 Geoscience BC disbursed an aggregate of \$52,199 in previously-approved program spending.