

**GEOSCIENCE BC SOCIETY**

**FINANCIAL STATEMENTS**

**MARCH 31, 2023**

**GEOSCIENCE BC SOCIETY  
FINANCIAL STATEMENTS  
FOR THE YEARS ENDED MARCH 31, 2023 AND 2022**

**MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

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- A. Statement of Financial Position
- B. Statement of Revenues and Expenditures
- C. Statement of Changes in Net Assets
- D. Statement of Cash Flows
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**GEOSCIENCE BC SOCIETY****MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The financial statements are the responsibility of the management of Geoscience BC Society (the "Society").

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies used are disclosed in Note 2 to the financial statements. The financial statements include, where appropriate, estimates based on the best judgment of management.

As part of its responsibilities, the Society maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate, and that the Society's assets are appropriately accounted for and adequately safeguarded.

The Society carries out its responsibilities with regard to the financial statements mainly through its Finance Committee (the "Committee"). The Committee reviews the annual financial statements and other information contained in the annual report and recommends them to the voting members of the Society for approval. The Committee meets periodically with management and the external auditors. Following these meetings, the Committee may meet privately with the auditors to ensure free and open discussion of any subject the Committee or the auditors wish to pursue. The Committee also recommends the engagement or re-appointment of the external auditors, reviews the scope of the audit and recommends the approval of the fees of the external auditors for audit and non-audit services.

The financial statements, audited by Beauchamp & Company LLP Chartered Professional Accountants in accordance with Canadian generally accepted auditing standards, have been approved by the Society, on the recommendation of its Finance Committee.

September 21, 2023



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Gavin C. Dirom  
President & CEO, Director



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John Milne  
Treasurer, Director

**INDEPENDENT AUDITOR'S REPORT**

To the Voting Members of  
Geoscience BC Society

**Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of Geoscience BC Society (the "Society"), which comprise the Statement of Financial Position as at March 31, 2023, and the Statement of Revenues and Expenditures, Statement of Changes in Net Assets and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Geoscience BC Society as at March 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

**Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material Uncertainty Related to Going Concern**

We draw attention to Note 1 in the financial statements, which indicates that Geoscience BC Society has no source of operating revenue and its future operations are therefore dependent upon the receipt of continued unrestricted and non-repayable funding. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Society's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

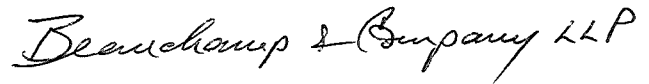
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on Other Legal and Regulatory Requirements**

As required by the Societies Act (British Columbia), we report that, in our opinion, these accounting principles have been applied on a basis consistent with that of the preceding year.



**CHARTERED PROFESSIONAL ACCOUNTANTS**

September 21, 2023  
Vancouver, British Columbia

**GEOSCIENCE BC SOCIETY  
STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2023 AND 2022**

**EXHIBIT A**

	<u><b>2023</b></u>	<u><b>2022</b></u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents (Note 2)	\$ 814,504	\$ 183,249
Investments (Notes 2 & 3)	1,613,251	4,681,116
Accrued interest receivable	958	53,604
Government assistance receivable (Note 7)	495,000	25,000
Amounts receivable	139,251	167,017
Prepaid expenses and deposits	132,516	119,680
	<u>3,195,480</u>	<u>5,229,666</u>
<b>Capital assets (Notes 2 &amp; 5)</b>	<u>101,031</u>	<u>30,613</u>
	<u><b>\$ 3,296,511</b></u>	<u><b>\$ 5,260,279</b></u>

**LIABILITIES AND DEFERRED CONTRIBUTIONS**

<b>Current liabilities</b>		
Accounts payable and accrued liabilities (Note 6)	\$ 208,499	\$ 263,511
<b>Deferred revenue contributions (Note 7)</b>	<u>530,140</u>	<u>150,515</u>
	<u>738,639</u>	<u>414,026</u>

**NET ASSETS**

<b>Restricted net assets for approved projects (Note 9)</b>	924,924	3,315,540
<b>Unrestricted net assets</b>	<u>1,632,948</u>	<u>1,530,713</u>
	<u>2,557,872</u>	<u>4,846,253</u>
	<u><b>\$ 3,296,511</b></u>	<u><b>\$ 5,260,279</b></u>

**Nature of operations and going concern (Note 1)**

**Contractual obligations (Note 8)**

**Subsequent events (Note 13)**

**Approved by the Board:**



Gavin C. Dirom  
President & CEO, Director



John Milne  
Treasurer, Director

See accompanying notes.

**GEOSCIENCE BC SOCIETY**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**FOR THE YEARS ENDED MARCH 31, 2023 AND 2022**

**EXHIBIT B**

	<b><u>Year ended</u></b> <b><u>March 31, 2023</u></b>	<b><u>Year ended</u></b> <b><u>March 31, 2022</u></b>
<b>Revenues</b>		
British Columbia government grant funding (Note 7)	\$ -	\$ 50,000
Project partner funding (Note 7)	299,035	113,752
Non-voting membership fees (Note 7)	60,077	-
Investment and other (Note 3)	121,773	65,949
Funding recoveries (Note 9)	18,629	-
<b>Total Revenues</b>	<b>499,514</b>	<b>229,701</b>
<b>Expenditures</b>		
<b>Expenditures - projects</b>		
Minerals	199,929	375,418
Energy	724,477	1,008,146
Water	87,197	157,604
Total Minerals, Energy and Water projects	1,011,603	1,541,168
Geoscience scholarships	50,000	50,000
Project management and technical support (Note 10)	633,444	798,328
<b>Total Expenditures – projects</b>	<b>1,695,047</b>	<b>2,389,496</b>
<b>Expenditures - administrative</b>		
Governance, management and finance (Note 10)	661,582	686,770
Public access and data management (Note 10)	27,552	51,580
External relations and communications (Note 10)	403,714	257,129
<b>Total Expenditures – administrative</b>	<b>1,092,848</b>	<b>995,479</b>
<b>Total Expenditures</b>	<b>2,787,895</b>	<b>3,384,975</b>
<b>Deficiency Of Revenues Over Expenditures</b>	<b>\$ (2,288,381)</b>	<b>\$ (3,155,274)</b>

See accompanying notes.

**GEOSCIENCE BC SOCIETY**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEARS ENDED MARCH 31, 2023 AND 2022**

**EXHIBIT C**

	<b>Restricted For Approved Projects</b>	<b>Unrestricted</b>	<b>Total</b>
Balance, March 31, 2021	\$ 3,547,617	\$ 4,453,910	\$ 8,001,527
Internally-imposed restrictions	1,359,091	(1,359,091)	-
Deficiency of revenues over expenditures	(1,591,168)	(1,564,106)	(3,155,274)
Balance, March 31, 2022	3,315,540	1,530,713	4,846,253
Internally-imposed restrictions	(1,329,013)	1,329,013	-
Deficiency of revenues over expenditures	(1,061,603)	(1,226,778)	(2,288,381)
Balance, March 31, 2023	\$ 924,924	\$ 1,632,948	\$ 2,557,872

See accompanying notes.



**GEOSCIENCE BC SOCIETY  
STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED MARCH 31, 2023 AND 2022**

**EXHIBIT D**

**Cash provided by (used for):**

	<b><u>Year ended March 31, 2023</u></b>	<b><u>Year ended March 31, 2022</u></b>
<b>Operating Activities</b>		
Grants and project partner funding	\$ 245,842	\$ 188,530
Non-voting membership fees	54,404	20,950
Investment and other income	146,226	43,837
Funding recoveries	18,629	-
Payments for project expenditures	(1,771,124)	(2,670,555)
Payments for administrative expenditures	(1,066,883)	(945,694)
Payments of refundable portion of GST/HST	(36,494)	(26,155)
Receipt of refundable portion of GST/HST	24,910	28,526
Cash used for operating activities	(2,384,490)	(3,360,561)
<b>Investing Activities</b>		
Purchase of investments (Note 3)	(1,000,000)	(2,000,000)
Redemption of investments (Note 3)	4,100,000	5,300,000
Purchase of capital assets	(84,255)	(46,875)
Cash provided by investing activities	3,015,745	3,253,125
<b>Net Change In Cash And Cash Equivalents</b>	631,255	(107,436)
<b>Cash And Cash Equivalents, Beginning Of Year</b>	183,249	290,685
<b>Cash And Cash Equivalents, End Of Year</b>	\$ 814,504	\$ 183,249

See accompanying notes.

**GEOSCIENCE BC SOCIETY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2023 AND 2022**

**EXHIBIT E**

## **1. Nature Of Operations And Going Concern**

Geoscience BC Society (“Geoscience BC” or “the Society”) was incorporated under the Society Act (British Columbia) on April 26, 2005 as a not for profit organization. The Society transitioned under the Societies Act (British Columbia), effective June 19, 2018. The Society is exempt from taxation under subsection 149(1) of the *Income Tax Act* (Canada). The purpose of the Society is to undertake and support the independent collection and public dissemination of earth science research in British Columbia. The Society had its genesis in a \$25 million funding commitment announced by the government of British Columbia in January 2005, which unrestricted funding was subsequently received and the Society incorporated. The Society has had certain members and directors in common with, and its creation was promoted by, both the Association for Mineral Exploration British Columbia and the Mining Association of British Columbia. However, the Society operates independently of both organizations and is controlled by a separate board of up to 13 directors, which also comprised the Society’s initial membership and current voting membership. Although it functions to complement the efforts of pre-existing provincial and federal agencies, Geoscience BC operates on an arms-length basis from the governments of both British Columbia and Canada.

The Society has no source of operating revenue and its future operations are therefore dependent upon the receipt of continued unrestricted and non-repayable funding, anticipated to be from government sources. In the event such funding is not received, the Society would in due course deplete its cash reserves and be required to cease operations. At March 31, 2023 the Society expects to maintain operations for a period sufficient to complete all existing commitments to fund projects from liquid asset balances currently on hand. Refer to Note 3.

The World Health Organization (the “WHO”) declared the COVID 19 coronavirus to be a pandemic on March 11, 2020, and as a result Canadian health authorities have issued several progressive restrictions on business operations. The pandemic is altering business and consumer activity in all areas. The Society’s available liquidity sources to support operations will assist in addressing current risks, however, second-order effects of the pandemic on its service providers and members (voting and non-voting) is not yet known. Because of the severity and global nature of the pandemic, it is reasonably possible that estimates in the financial statements will change in the near term, and the effects may be material.

Management is continuing to monitor the impact of the COVID 19 coronavirus on the Society’s operations and impact to underlying projects and is continuing to pursue funding opportunities. Management believes that these actions make the use of the going concern basis appropriate; however, it is not possible at this time to predict the outcome of these matters. If the going concern basis is not appropriate, adjustments could be necessary to the carrying amounts and/or classification of assets, liabilities, revenues and expenditures in these financial statements, and these adjustments could be material.

On May 5, 2023, the WHO announced that COVID 19 will no longer be categorised a Public Health Emergency of International Concern.

## **2. Significant Accounting Policies**

### **Basis of presentation**

The Society’s financial statements have been prepared by management in accordance with the CPA Canada Handbook’s accounting standards for not-for-profit organizations.

## **2. Significant Accounting Policies (Cont'd)**

### **Use of estimates**

The preparation of financial statements requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues earned and expenditures incurred during the year.

Actual results could differ from those estimates. The financial statements of the Society have, in management's opinion, been properly prepared within reasonable limits of materiality, and within the framework of the significant accounting policies disclosed below.

### **Cash and cash equivalents**

Cash and cash equivalents consist of cash on deposit with banks and other financial institutions, and highly liquid short-term interest bearing securities that are readily convertible to known amounts of cash.

### **Investments**

Investments are initially recognized and subsequently measured at fair value, determined using market information. Transaction costs and net gains and losses arising from changes in fair value are immediately recognized in the Society's statement of revenues and expenditures.

### **Capital assets**

Capital asset purchases made by the Society are capitalized and are recorded at cost less accumulated amortization. Amortization is recorded as disclosed in Note 5 on a straight-line basis, commencing in the quarter of acquisition, as follows:

Computer equipment	3 years
Project equipment	0.75 and 2.25 (2022 – 2.25) years
Furniture and office equipment	5 years
Leasehold improvements	2.25 years (2022 – 1.5, 1.75 and 2.25 years)

### **Revenue recognition**

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets. Restricted investment income is recognized as revenue in the year in which the related expenditures are incurred. Unrestricted investment income is recognized as revenue when earned. Non-voting membership fees are recognized as revenue in the fiscal year to which they relate.

### **Donated materials and services**

Donated materials and services are recorded only when a fair value can be reasonably estimated and when they would be paid for by the Society if they had not been donated.

**GEOSCIENCE BC SOCIETY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2023 AND 2022**

12  
**EXHIBIT E  
(CONT'D)**

**2. Significant Accounting Policies (Cont'd)**

**Contributed services**

Significant volunteer labour is contributed to assist the Society in carrying out its activities, but is not recorded in its financial statements due to the difficulty of determining the fair value of those services.

**Allocation of expenditures**

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 year 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 10.

**3. Investments**

During the year ended March 31, 2023, \$1 million (2022 - \$2 million) was invested in non-redeemable guaranteed investment certificates and equivalent instruments issued by a major Canadian financial institution. See Note 4.

During the year ended March 31, 2023, the Society drew \$4.1 million (2022 - \$5.3 million) from the amounts invested in its guaranteed investment certificates and equivalent instruments.

	March 31, 2023 Market Value \$	March 31, 2022 Market Value \$
<b>Investments:</b>		
High interest savings account	1,613,251	1,081,116
Guaranteed investment certificates ("GIC's")	-	3,600,000
	<u>1,613,251</u>	<u>4,681,116</u>

**Investment and other revenue is comprised of the following:**

	March 31, 2023 \$	March 31, 2022 \$
Interest earned on GIC's and equivalent instruments	81,807	65,949
Rent earned on premises lease to subtenant	39,966	-
Revenue disclosed in the Statement of Revenues and Expenditures	<u>121,773</u>	<u>65,949</u>

**GEOSCIENCE BC SOCIETY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2023 AND 2022**

**EXHIBIT E  
(CONT'D)**

#### 4. Financial Instruments

The Society's financial instruments measured at amortized cost consist of cash and cash equivalents, amounts receivable, and accounts payable and accrued liabilities. The Society's investments are recorded at fair value. As at March 31, 2023 and 2022, the Society has not recorded any allowance for impairment of its amounts receivable.

##### Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Society is not exposed to material interest rate risk on its treasury deposit fund and high interest savings account balances. As at March 31, 2022, the Society held guaranteed investment certificates bearing interest at rates between 1.40% and 1.60% per annum, which matured between June 1, 2022 and February 6, 2023.

##### Currency risk

The Society is not exposed to foreign exchange risk from financial instruments as it has incurred few foreign currency transactions during the years ended March 31, 2023 and 2022.

##### Liquidity risk

The Society is exposed to liquidity risk due to the timing of revenues received to meet commitments associated with financial instruments. The Society manages liquidity risk by maintaining adequate treasury deposit funds and near cash balances.

##### Credit and market risk

The Society's financial instruments include guaranteed investment certificates, a high interest savings account and funds on treasury deposit which have a low level of risk as these investments are placed with major Canadian financial institutions.

#### 5. Capital Assets

March 31, 2023	Cost	Accumulated Amortization	Net Book Value
Computer equipment	\$ 68,188	\$ 9,393	\$ 58,795
Project equipment	56,891	25,051	31,840
Furniture and office equipment	1,387	1,040	347
Leasehold improvements	23,613	13,564	10,049
	<u>\$ 150,079</u>	<u>\$ 49,048</u>	<u>\$ 101,031</u>

March 31, 2022	Cost	Accumulated Amortization	Net Book Value
Computer equipment	\$ 13,278	\$ 10,923	\$ 2,355
Project equipment	13,694	4,565	9,129
Furniture and office equipment	4,163	3,122	1,041
Leasehold improvements	23,613	5,525	18,088
	<u>\$ 54,748</u>	<u>\$ 24,135</u>	<u>\$ 30,613</u>

**GEOSCIENCE BC SOCIETY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2023 AND 2022**

**EXHIBIT E  
(CONT'D)**

**5. Capital Assets (Cont'd)**

In accordance with the Society's accounting policy relating to capital assets disclosed in Note 2, during the year ended March 31, 2023, the Society has recognized \$16,433 (2022 - \$11,919) in amortization on its computer, furniture and office equipment and leasehold improvements, and \$20,485 (2022 - \$57,622) in amortization on its project equipment.

**6. Accounts Payable And Accrued Liabilities**

	March 31, 2023	March 31, 2022
Trade payables	\$ 177,778	\$ 236,822
Government remittances	3,721	1,689
Accrued liabilities	27,000	25,000
	<u>\$ 208,499</u>	<u>\$ 263,511</u>

**7. Deferred Revenue Contributions**

	March 31, 2023	March 31, 2022
Balance, beginning of year	\$ 150,515	\$ -
Add amounts recognized as receivable in the year:		
British Columbia government grant funding	495,000	50,000
Project partner funding	185,391	243,317
Non-voting membership fees	54,404	20,950
Subtenant last month rent	3,942	-
	<u>738,737</u>	<u>314,267</u>
Deduct recognition of revenue realized	<u>(359,112)</u>	<u>(163,752)</u>
Balance, end of year	<u>\$ 530,140</u>	<u>\$ 150,515</u>

**8. Contractual Obligations**

As at March 31, 2023, the Society has a base rental commitment relating to the lease of its office premises, inclusive of monthly charges in respect to operating and common area costs and property taxes, totalling approximately \$272,000 (2022 - \$454,000) to July 31, 2024.

Pursuant to a contract of employment with its President and Chief Executive Officer, if the Society terminates its employment with this individual without cause, it would be committed to pay four weeks salary in termination benefits during the first year of employment, and after three years of continuous employment the Society would be committed to pay six weeks salary in termination benefits plus one additional week salary for each additional year of employment up to a maximum 16 weeks. In addition, the President and Chief Executive Officer may terminate employment with the Society at any time by providing three months written notice, with the Society having the option to consent to additional or lesser notice.

The Society maintains a defined contribution plan for all of its eligible employees. Each eligible employee of the plan receives employer contributions of 8% of annual earnings up to their maximum deduction as allowed by Canada Revenue Agency. This pension expenditure is allocated to and included in Project management and technical support, Governance management and finance, Public access and data management, and External relations and communications in the Society's statement of revenues and expenditures for the years ended March 31, 2023 and 2022. Refer to Note 10.

**GEOSCIENCE BC SOCIETY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2023 AND 2022**

**EXHIBIT E  
(CONT'D)**

**9. Restricted Net Assets For Approved Projects**

At March 31, 2023, the Society's net assets are subject to future obligations aggregating \$924,924 (2022 - \$3,315,540), representative of undisbursed but approved project funding commitments, payment of which is contingent upon the Society receiving acceptable deliverables from these projects in accordance with executed agreements. At March 31, 2023, \$nil (2022 - \$140,000) is approved in principle for project funding commitments, whose final approval is contingent on various future events. Refer to Note 13. These internally restricted amounts are not available for other purposes without the approval of the Society's Board of Directors.

Recipients of funding from Geoscience BC are required to account for the expenditure of all monies received, and Geoscience BC reserves the right to request documentation to support the reported expenditure breakdowns. Unspent funds, including GST and HST input tax credits subsequently recovered by recipients, but based on the expenditure of Geoscience BC grants, are to be returned to the Society. During the fiscal year ended March 31, 2023, the Society received \$18,629 (2022 - \$nil) of such recoveries, which are included within the Society's statement of revenues and expenditures. No predictions of future recoveries can be accurately made at this time and therefore funding recoveries are recorded at the earlier of the date of receipt and the date that a recovered amount becomes determinable.

**10. Allocation Of Unrestricted Expenditures**

<b>Year ended March 31, 2023</b>	<b>Project Management and Technical Support</b>	<b>Governance, Management and Finance</b>	<b>Public Access and Data Management</b>	<b>External Relations and Communications</b>	<b>Totals</b>
Salaries and benefits (Note 12)	\$ 348,681	\$ 190,854	\$ 3,320	\$ 136,543	\$ 679,398
Consultants	207,883	161,278	497	118,447	488,105
Professional fees, dues and memberships	144	42,386	-	14,011	56,541
Office rent, property tax and operating costs	-	204,015	-	-	204,015
Information Technology	-	-	22,733	-	22,733
Geographic Information Systems (GIS) server maintenance	15,519	-	-	-	15,519
Project reporting and technical summaries	39,909	-	-	-	39,909
Sponsorships	-	-	-	4,400	4,400
Communications tools	-	-	-	31,080	31,080
Conferences, meetings, travel and events	13,286	7,932	-	93,287	114,505
Office supplies, couriers, telephone, other	8,022	38,684	1,002	1,396	49,104
Amortization (Note 5)	-	16,433	-	-	16,433
Website maintenance	-	-	-	4,550	4,550
	<b>\$ 633,444</b>	<b>\$ 661,582</b>	<b>\$ 27,552</b>	<b>\$ 403,714</b>	<b>\$ 1,726,292</b>

**GEOSCIENCE BC SOCIETY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2023 AND 2022**

**EXHIBIT E  
(CONT'D)**

**10. Allocation Of Unrestricted Expenditures (Cont'd)**

<b>Year ended March 31, 2022</b>	<b>Project Management and Technical Support</b>	<b>Governance, Management and Finance</b>	<b>Public Access and Data Management</b>	<b>External Relations and Communications</b>	<b>Totals</b>
Salaries and benefits (Note 12)	\$ 554,555	\$ 281,081	\$ 19,496	\$ 147,532	\$ 1,002,664
Consultants	173,383	125,479	3,415	48,417	350,694
Professional fees, dues and memberships	2,909	46,367	-	11,649	60,925
Office rent, property tax and operating costs	-	186,974	-	-	186,974
Information Technology	-	-	26,213	-	26,213
Geographic Information Systems (GIS) server maintenance	15,018	-	-	-	15,018
Project reporting and technical summaries	45,568	-	-	-	45,568
Sponsorships	-	-	-	14,500	14,500
Communications tools	-	-	-	26,340	26,340
Conferences, meetings, travel and events	776	1,013	64	7,974	9,827
Office supplies, couriers, telephone, other	6,119	33,937	2,392	717	43,165
Amortization (Note 5)	-	11,919	-	-	11,919
	<b>\$ 798,328</b>	<b>\$ 686,770</b>	<b>\$ 51,580</b>	<b>\$ 257,129</b>	<b>\$ 1,793,807</b>

**11. Related Party Transactions**

During the year ended March 31, 2023, the Society paid or accrued an aggregate of \$159,678 (2022 - \$154,780) for project management, administrative and professional services to both a Director and an Officer of the Society and a law firm which has a partner who is a Director of the Society.

These related party transactions were in the normal course of operations and are measured at the exchange amount, as determined by management of the Society.

**12. Remuneration Of Directors, Employees And Consultants**

Total salaries and benefits incurred by the Society during the year ended March 31, 2023 were \$679,398 (2022 - \$1,002,664) of which \$330,717 (2022 - \$448,109) is included in Administrative expenditures and \$348,681 (2022 - \$554,555) is included in Project expenditures.

During the year ended March 31, 2023, the Society paid or accrued an aggregate of \$978,226 to five employees and two consultants of the Society (2022 - \$1,214,899 to six employees and two consultants) who each earned more than \$75,000 during the year. Of this amount, \$186,847 (2022 - \$242,652) was paid or accrued to the Society's President and CEO who is also a Director of the Society. During the year ended March 31, 2022, \$169,375 was paid or accrued to the Society's now former Executive Vice President and Chief Scientific Officer who was also a Director of the Society.

**13. Subsequent Events**

During the period subsequent to March 31, 2023:

- An additional \$93,000 was recommended and approved for project funding commitments and was also restricted, and \$2,430,000 was Approved in Principle for project funding commitments the restriction of which is subject to confirmation of a minimum of \$1,920,000 in funding from potential project partners.
- The Society approved and disbursed 10 scholarships of \$5,000 each.