

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

Exhibit 'A'

Assets	\$	31-Mar-14 \$ (audited)
<i>Current assets:</i>		
Cash and cash equivalents	82,060	259,992
Investments (Note 2)	14,884,730	12,131,923
Accrued interest receivable	50,815	44,662
Amounts receivable	208,340	3,204,695
Prepaid expenses and deposits	61,723	72,662
	<u>15,287,668</u>	<u>15,713,934</u>
 Capital assets	 24,218	 22,005
	<u><u>15,311,886</u></u>	<u><u>15,735,939</u></u>
 Liabilities		
<i>Current liabilities:</i>		
Accounts payable & accrued liabilities	<u>153,709</u>	<u>325,930</u>
 Members' Equity		
Net assets restricted for approved programs (Note 3)	4,976,385	4,144,643
Unrestricted net assets (Exhibit 'B', Note 4)	<u>10,181,792</u>	<u>11,265,366</u>
	<u>15,158,177</u>	<u>15,410,009</u>
	<u><u>15,311,886</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 three months ended June 30, 2014
(Unaudited - internally-prepared)

Exhibit 'B'

	Actuals	Year ended March 31, 2014	Forecast to March 31, 2015
	\$	\$	\$
<i>Revenues:</i>			
Grants - Provincial Government	-	3,000,000	-
Investment income	238,232	643,055	238,232
Program funding from third parties	-	569,213	-
Sublease income	3,000	17,700	17,400
Other - income tax refund and miscellaneous	-	10,199	-
	241,232	4,240,167	255,632
<i>Expenditures:</i>			
<u>Program:</u>			
Publishing costs	10,457	27,887	50,000
GIS server implementation	1,165	68,457	35,700
GIS server maintainance	300	7,855	12,500
Program management *	71,614	303,405	300,000
Program funding awarded expended, including non-refundable portion of GST:		3,233,392	5,010,501 **
Project 2011-004 HRB water monitoring study	32,611		
Minerals consultants and logistics (funding formerly related to QUEST)	4,801		
TREK First Nations engagement (from QUEST funds)	10,714		
TREK Geochem	9,840		
TREK - consultants, logistics	6,606		
NE BE Seismic program	218		
Oil & Gas - consultants, logistics, and community engagement	3,862		
	(152,188)	(3,640,996)	(5,408,701)
<u>Scholarships:</u>	35,000	(25,000)	(35,000)
<u>Administration:</u>			
Salaries and Benefits *	111,557	481,527	450,000
Travel & Conferences/Conventions	36,919	79,834	148,000
Consulting	35,939	59,568	90,000
Rent and utilities	30,999	126,477	125,000
Accounting, legal, insurance	24,738	89,860	100,000
Outreach - Government Relations and First Nations Engagement	13,874	90,096	100,000
Sponsorships	11,633	18,174	20,000
Investment management fees	11,557	31,180	45,000
Communications, Marketing and Community Engagement	9,682	71,086	165,000
Office/miscellaneous	4,231	18,368	17,000
Non-refundable GST/HST	3,926	16,017	15,800
Meeting expenses	2,907	7,521	8,000
Amortization of capital assets	2,699	8,077	24,500
Computer maintenance, internet and email	1,765	9,581	10,000
Photocopier	1,417	5,157	5,700
Telephone	1,107	5,895	6,000
Staff training and professional development	699	1,835	2,000
Dues/Memberships	227	6,619	7,000
Recruitment	-	35,725	-
Workshops	-	4,863	5,000
	(305,876)	(1,167,460)	(1,344,000)
Expenditures in excess of income earned	(251,832)	(593,289)	(6,532,069)
Net increase in unexpended funding commitments from March 31, 2014	(831,742)		
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, June 30, 2014	(refer also to Note 4)	10,181,792	
		(to Exhibit 'A')	
Projected unrestricted net assets, March 31, 2015			8,877,940

* 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 \$2,181,902 funding approved in principle for the TREK program

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-Jun-14 Market value \$	31-Mar-14 Market value \$
BMO High Interest Savings account	251,535	500,488
1.4% cashable GIC, VanCity, due April 30, 2014	-	1,200,000
1.71% GIC, VanCity, due August 18, 2014 (locked-in) *	2,000,000	2,000,000
1.3% cashable GIC, Bank of Montreal, due November 3, 2014	3,090,588	3,090,588
1.76% GIC, Bank of Montreal, due May 1, 2015 (locked-in)	1,000,000	-
	<u>6,342,123</u>	<u>6,791,076</u>
Connor, Clark and Lunn aggregate portfolio, at market value	8,542,607	5,340,847
	<u>14,884,730</u>	<u>12,131,923</u>

* \$1.5 million of this balance was subsequently invested in a 9 month locked-in GIC.

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 \$11,557, 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 June 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>
TREK First Nations Engagement (funding formerly QUEST, QW, QS community engagement)	59,949
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>110,703</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 (funding formerly related specifically to QUEST programs)	53,816
Project 2010-002 - PIP (funding formerly QUEST, QW, QS consultants & logistics)	34,503
Committed in the year ended March 31, 2011:	<u>109,319</u>
Project 2011-004-Horn River Basin - Phase 2 subsurface water monitoring program	361,978
SEEK - Phase 1 - East Kootenay Chamber of Mines	134,225
Project 2011-015 - Bouzari, MDRU	22,536
Project 2011-016 - Bissig, MDRU	30,358
Project 2011-021 - Pattison, U of Calgary	5,766
Committed in the year ended March 31, 2012:	<u>554,863</u>
Project 2012-002 - Hart, MDRU	23,305
Project 2012-008 - CanGEA	5,000
NE BC Induced Seismicity Monitoring Program	427,434
Oil & Gas consultants and logistics	198,711
TREK - consultants, logistics, marketing	45,971
TREK - geochemistry	717,807
TREK - geophysics	408,971
TREK - geology and integration	820,000
TREK - geothermal	93,365
Committed in the year ended March 31, 2013:	<u>2,740,564</u>
Project 2013-001 - Bustin	300,000
Project 2013-003 - HRBPG	65,000
TREK - Biogeochemistry	19,118
GIS Server (formerly DAP & ArcGIS)	34,503
Committed in the year ended March 31, 2014:	<u>418,621</u>
Project 2014-DAFD02/03	400,000
Project 2014-001	39,100
Project 2014-005	28,750
Project 2014-006	169,070
Project 2014-007	26,680
Project 2014-011	60,000
Project 2014-015	177,958
Committed in the three months ended June 30, 2014:	<u>901,558</u>
Restricted Funding commitments at June 30, 2014 - unspent	<u>4,976,385</u>

These funds remain on hand at June 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	6,169,903
Income from other sources (third party funding, recoveries, sublease rent, etc.)	5,394,672
Publishing costs incurred	(264,961)
Administrative expenses incurred	(8,904,308)
Net program expenditures - actual and commitments	(43,913,514)
	<u>10,181,792</u>

5. Subsequent events

Between July 1st and September 26th, 2014 Geoscience BC disbursed an aggregate of \$1,135,767 in previously-approved program spending.