

Geoscience BC
Interim Statement of Financial Position
As at September 30, 2015
(Unaudited - internally-prepared)

Exhibit 'A'

Assets	\$	March 31, 2015 \$ (audited)
<i>Current assets:</i>		
Cash and cash equivalents	754,128	608,715
Investments (Note 2)	14,095,708	12,459,862
Accrued interest receivable	18,080	33,651
Amounts receivable	117,892	5,271,766
Prepaid expenses and deposits	101,941	80,742
	<u>15,087,749</u>	<u>18,454,736</u>
Capital assets	81,038	16,012
	<u>15,168,787</u>	<u>18,470,748</u>
Liabilities		
<i>Current liabilities:</i>		
Accounts payable & accrued liabilities	404,548	437,418
Deferred revenue	-	125,308
	<u>404,548</u>	<u>562,726</u>
Members' Equity		
Net assets restricted for approved programs (Note 3)	6,891,827	6,684,997
Unrestricted net assets (Exhibit 'B', Note 4)	7,872,412	11,223,025
	<u>14,764,239</u>	<u>17,908,022</u>
	<u>15,168,787</u>	<u>18,470,748</u>
Basis of presentation (Note 1)		
Subsequent events (Note 6)		

Refer also to accompanying notes - Exhibit 'C'

Geoscience BC
Interim Operations Statement
For the six months ended September 30, 2015
(Unaudited - internally-prepared)

Exhibit 'B'

	Actuals		Year ended March 31, 2015	Forecast to March 31, 2016
	\$	\$	\$	\$
Revenues:				
Grants - Provincial Government		-	5,000,000	-
Investment income		(105,751)	1,154,288	(105,751)
Program funding from third parties		165,308	395,643	165,308
Sublease income		-	10,984	-
Miscellaneous		-	3,120	-
		<u>59,557</u>	<u>6,564,035</u>	<u>59,557</u>
Expenditures:				
<u>Program, including non-refundable portion of GST:</u>				
Publishing costs	1,278		40,312	50,000
GIS server implementation	2,170		5,663	30,000
GIS server maintenance	11,774		11,447	12,500
Program management *	199,428		380,979	400,000
Program funding expended (Note 5)	2,224,811		2,231,238	9,120,400 **
		<u>(2,439,461)</u>	<u>(2,669,639)</u>	<u>(9,612,900)</u>
<u>Scholarships:</u>	50,000			
		<u>(50,000)</u>	<u>(35,000)</u>	<u>(50,000)</u>
<u>Administration:</u>				
Salaries and Benefits *	249,368		549,642	550,000
Outreach - Government Relations and First Nations Engager	85,894		105,206	150,000
Rent and utilities	69,100		124,455	168,500
Accounting, legal, insurance	51,731		114,151	105,000
Travel & Conferences/Conventions	47,103		150,132	120,000
Consulting	39,496		74,849	80,000
Communications, Marketing and Community Engagement	37,173		65,449	75,000
Investment management fees	22,027		47,882	44,000
Office Relocation	20,118		-	20,000
Sponsorships	17,175		15,720	25,000
Office/miscellaneous	13,661		21,169	27,000
Workshops	13,206		-	13,500
Computer maintenance, internet and email	10,906		12,639	15,000
Amortization of capital assets	10,723		10,911	22,000
Non-refundable GST/HST	10,381		19,221	20,000
Meeting expenses	5,487		20,909	11,000
Telephone	3,844		6,728	5,000
Photocopier	3,213		5,344	5,000
Dues/Memberships	1,777		12,557	12,000
Recruitment	896		-	1,500
Staff training and professional development	600		4,419	4,500
		<u>(713,879)</u>	<u>(1,361,383)</u>	<u>(1,474,000)</u>
Expenditures in excess of income earned		<u>(3,143,783)</u>	<u>2,498,013</u>	<u>(11,077,343)</u>
Net increase in unexpended funding commitments from March 31, 2015		(206,830)		
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, September 30, 2015	(refer also to Note 4)	<u>7,872,412</u>		
		(to Exhibit 'A')		
Projected unrestricted net assets, March 31, 2016				<u>6,830,679</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

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-Sep-15 Market value \$	31-Mar-15 Market value \$
BMO High Interest Savings account	2,907,308	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>6,407,308</u>	4,596,592
Connor, Clark and Lunn aggregate portfolio, at market value	7,688,400	7,863,270
	<u>14,095,708</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 \$22,027, 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 September 30, 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)	52,340
Project 2010-002-PIP (funding formerly related to QUEST)	<u>24,278</u>
Committed in the year ended March 31, 2011:	<u>76,618</u>
Project 2011-004 HRB water monitoring study	102,437
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>150,029</u>
Project 2012-002 (Hart, MDRU)	23,305
NE BC Induced Seismicity Monitoring Program	352,985
Oil & Gas - consultants, logistics, and community engagement	195,002
TREK - Consultants, logistics	44,965
TREK - Geochemistry	98,798
TREK - Geophysics	408,971
TREK - Geology & Integration	498,800
TREK - Geothermal	<u>39,337</u>
Committed in the year ended March 31, 2013:	<u>1,662,163</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>27,835</u>
Committed in the year ended March 31, 2014:	<u>420,587</u>
Deep Aquifer Fluid Disposal Program	3,950
Project 2014-006 (Höy/Jackaman)	92,988
Project 2014-007 (Chapman/Mileham, U. of Leeds)	18,428
Project 2014-015 (Bouzari/Hart, MDRU)	132,030
Peace Region Airborne Groundwater Mapping Project (Bouzari/Hart, MDRU)	784,443
Search Project - Phase I	1,185,236
Project 2015-001 (Jonathan Banks, Alberta Innovates)	<u>60,000</u>
Committed in the year ended March 31, 2015:	<u>2,277,075</u>
Search Project - Phase II	1,000,000
Project 2015-013 - BC Natural Gas Atlas (Uvic)	500,000
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>98,800</u>
Committed in the six months ended September 30, 2015:	<u>2,224,800</u>
Restricted Funding commitments at September 30, 2015 - unspent	<u>6,891,827</u>

These funds remain on hand at September 30, 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	6,980,208
Income from other sources (third party funding, recoveries, sublease rent, etc.)	5,966,727
Publishing costs incurred	(296,094)
Administrative expenses incurred	(10,866,296)
Net program expenditures - actual and commitments	(50,612,133)
Unrestricted net assets, September 30, 2015	<u>7,872,412</u>

5. Program funding expended in the six months ended September 30, 2015, including non-refundable portion of GST:

Peace Region Airborne Groundwater Mapping Project	1,246,540
Search Project	229,214
Deep Aquifer Fluid Disposal Program	160,440
Project 2015-021 - New Resource Oil Plays (PRCL, Trican and Taurus)	139,000
Project 2011-004 HRB water monitoring study	94,704
TREK - Geochemistry	73,350
Direct-use Geothermal Resources in BC (Tuya Terra Corp. and Geothermal Management Comp	61,200
Project 2014-037 Economic Viability of Geothermal Resources in British Columbia	59,654
NE BC Induced Seismicity Monitoring Program	58,198
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
Project 2014-011 (Sanchez, Bissig, Kowalczyk)	18,000
Project 2014-001 (CSA Global)	11,669
Oil & Gas - consultants, logistics, and community engagement	3,130
TREK - General & Project Management	1,006
	<u>2,224,811</u>

6. Subsequent events

Between October 1st and November 20th, 2015 Geoscience BC disbursed an aggregate of \$269,667 in previously-approved program spending.