

Geoscience BC
Interim Statement of Financial Position
As at December 31, 2016
(Unaudited - Internally-prepared)

Exhibit 'A'

Assets	\$	March 31, 2016
		\$
		(audited)
Current assets:		
Cash and cash equivalents	475,339	108,454
Investments (Note 2)	13,457,359	12,074,113
Accrued interest receivable	24,862	30,552
Amounts receivable	148,757	5,742,035
Prepaid expenses and deposits	132,578	124,856
	14,238,895	18,080,010
 Capital assets	 64,042	 74,858
	14,302,937	18,154,868
 Liabilities		
Current liabilities:		
Accounts payable & accrued liabilities	205,722	381,778
Deferred revenue	867,463	5,000,000
	1,073,185	5,381,778
 Members' Equity		
Net assets restricted for approved programs (Note 3)	5,504,695	6,001,481
Unrestricted net assets (Exhibit 'B', Note 4)	7,725,057	6,771,609
	13,229,752	12,773,090
	14,302,937	18,154,868

Basis of presentation (Note 1)
Subsequent events (Note 6)

Refer also to accompanying notes - Exhibit 'C'

Approved By the Board:



Director



Director

Geoscience BC
Interim Operations Statement
For the nine months ended December 31, 2016
(Unaudited - internally-prepared)

Exhibit 'B'

	Actuals		Year ended March 31, 2016	Forecast to March 31, 2017
	\$	\$	\$	\$
<i>Revenues:</i>				
Grants - Provincial Government		4,132,537	100,000	4,132,537
Investment income		413,454	159,124	413,454
Program funding from third parties		59,744	712,191	59,744
Tax refunds and miscellaneous		6,569	30,620	6,569
		<u>4,612,304</u>	<u>1,001,935</u>	<u>4,612,304</u>
<i>Expenditures:</i>				
<u>Program, including non-refundable portion of GST:</u>				
Publishing costs	40,068		76,218	50,000
GIS server implementation	-		8,230	21,775
GIS server maintenance	16,345		7,996	12,500
Program management *	332,848		447,358	450,000
Program funding expended (Note 5)	<u>2,448,390</u>		<u>4,015,297</u>	<u>7,881,310</u> **
		<u>(2,837,651)</u>	<u>(4,555,099)</u>	<u>(8,415,585)</u>
<u>Scholarships:</u>				
	<u>50,000</u>		<u>(50,000)</u>	<u>(50,000)</u>
<u>Administration:</u>				
Salaries and Benefits *	383,054		577,871	732,000
Outreach - Government Relations and First Nations Engager	213,016		182,418	110,000
Rent and utilities	124,554		153,766	212,000
Accounting, legal, insurance	108,867		115,595	103,000
Communications, Marketing and Community Engagement	82,236		78,141	172,000
Travel & Conferences/Conventions	70,311		115,270	114,000
Consulting	66,714		64,964	69,000
Recruitment	41,993		921	1,000
Investment management fees	34,162		44,046	41,000
Amortization of capital assets	26,694		26,733	42,000
Sponsorships	24,696		20,353	20,000
Non-refundable GST/HST	22,984		23,177	23,000
Meeting expenses	20,022		18,838	15,000
Computer maintenance, internet and email	17,204		19,005	14,000
Office/miscellaneous	15,172		26,288	24,000
Photocopier	5,911		7,022	6,000
Telephone	5,888		9,475	8,000
Dues/Memberships	3,320		12,628	15,000
Staff training and professional development	2,151		1,287	3,000
Office Relocation	-		20,764	-
Workshops	-		13,206	6,000
		<u>(1,268,949)</u>	<u>(1,531,768)</u>	<u>(1,730,000)</u>
Income earned in excess of expenditures		<u>455,704</u>	<u>(5,134,932)</u>	<u>(5,583,281)</u>
Net decrease in unexpended funding commitments from March 31, 2016		546,786		
Add back: March 31, 2016 unexpended funding, restricted at that date		n/a		6,001,481
Balance, unrestricted net assets, March 31, 2016, audited		6,771,609		6,771,609
Balance, unrestricted net assets, December 31, 2016	(refer also to Note 4)	<u>7,774,099</u>		
		(to Exhibit 'A')		
Projected unrestricted net assets, March 31, 2017				<u>7,189,809</u>

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

** Inclusive of \$6,001,481 in unexpended funding commitments at March 31, 2016, and exclusive of \$500,000 Approved in Principle for Phase II of the Peace Project, \$704,792 Approved in Principle for four new MDRU projects, and \$50,000 Approved in Principle for an ERM NW BC data capture 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-16 Market value \$	31-Mar-16 Market value \$
BMO High Interest Savings account	1,743,136	1,678,847
1.67% GIC, Canadian Western Bank, due August 18, 2016 (locked-in)	-	1,500,000
1.3% GIC, Vancity, due February 16, 2017 (locked in)	1,000,000	-
1.41% GIC, Bank of Montreal, due May 5, 2017 (locked-in)	1,000,000	1,000,000
1.45% GIC, Bank of Montreal, due July 28, 2017 (locked-in)	1,500,000	-
	<u>5,243,136</u>	<u>4,178,847</u>
Connor, Clark and Lunn aggregate portfolio, at market value	8,214,223	7,895,266
	<u>13,457,359</u>	<u>12,074,113</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 \$34,162, 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, 2016:

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 2009-048 (Hart, MDRU)	7,083
Committed during the year ended March 31, 2010:	<u>7,083</u>
Minerals - consultants and logistics (funding formerly related to QUEST)	44,286
Project 2010-002 - PIP (funding formerly related to QUEST)	44,700
Committed in the year ended March 31, 2011:	<u>88,986</u>
SEEK	13,330
Committed in the year ended March 31, 2012:	<u>13,330</u>
NE BC Induced Seismicity Monitoring Program	194,589
Oil & Gas - consultants, logistics, and community engagement	179,119
TREK - Consultants, logistics	44,178
TREK - Geochemistry	12,213
TREK - Geophysics	13,653
TREK - Geology & Integration	338,200
TREK - Geothermal	21,054
Committed in the year ended March 31, 2013:	<u>803,006</u>
Project 2013-001 (Bustin, UBC)	150,000
Project 2013-003 - Long Term Water Availability in the Horn River Basin (HRBPG)	74,750
TREK - First Nations engagement (from formerly related to QUEST)	52,752
GIS Server Implementation (formerly DAP & ArcGIS)	21,775
Committed in the year ended March 31, 2014:	<u>299,277</u>
Project 2014-006 (Höy/Jackaman)	16,907
Project 2014-007 (Chapman/Mileham, U. of Leeds)	18,428
Project 2014-015 (Bouzari/Hart, MDRU)	66,015
Peace Region Airborne Groundwater Mapping Project (Phases 1 & 2)	349,315
Project 2015-001 (Jonathan Banks, Alberta Innovates)	30,000
Committed in the year ended March 31, 2015:	<u>480,665</u>
Search Project - Phase II	694,090
MIKH - CMIC Partnership seed funding	30,749
Project 2015-013 - BC Natural Gas Atlas (UVic)	332,000
Project 2015-021 - New Resource Oil Plays (PRCL, Trican and Taurus)	298,000
Project 2015-022 - Direct-use Geothermal Resources in BC (Tuya Terra Corp. Geothermal Managemen	49,087
Project 2015-031 - Monitoring & Risk Assessment of Anomalous Induced Seismicity (Bustins)	315,000
Project 2016-001 - Merging Geological Seismic Reflection and Magnetotelluric data (Salt Spring Imagir	27,176
Project 2016-006 - Detrital gold as a deposit-specific indicator mineral (U of Leeds)	12,450
Project 2016-007 - Assessment of use of halogens and volatile compounds in vegetation, soil, snow (I	33,732
Project 2016-015 - BC RGS Sample Renanalysis (Noble)	47,499
Project 2016-029 - Pilot project for georeferencing and data capture of National Instrument 43-101 (Pu	1,642
Project 2016-048 -NEWS	51,129
Committed in the year ended March 31 2016:	<u>1,892,554</u>
Project 2016-008: from TREK geophysical funds - Myar Consulting	56,745
Project 2016-019: from TREK geophysical funds - Noble Exploration Services Ltd.	40,175
Project 2016-036: from TREK geophysical funds - Reflex Geosciences	54,544
Project 2016-037: from TREK geophysical funds - Reflex Geosciences	12,950
Project 2016-047: Techno-Economic assessment of Geothermal Energy Resources	10,000
Project 2016-065: GHGMap Project	500,000
Project 2016-028: CSA Global integrated assessment of regional stream sediment geochemistry, north	99,280
Project 2016-004: Geological mapping, compilation and mineral evaluation, Boundary District, souther	70,160
Project 2016-067: Canadian Carbonization Research Association proposal	209,000
Project 2016-068: TRU - Mine reclamation project - Soil Amendments in Mine Closure	50,000
Project 2016-069: TRU - Mine reclamation project - Biodiversity in Ecosystem Reclamation	50,000
Project 2016-043: Assessment of Fugitive Natural Gas on Near-Surface Groundwater Quality	500,000
Project 2016-062: Amplification of Seismic Ground Motion Hazard Mapping	200,000
Committed in the nine months ended December 31, 2016:	<u>1,852,854</u>
Restricted Funding commitments at December 31, 2016 - unspent	<u>5,454,695</u>

These funds remain on hand at December 31, 2016 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	60,932,537
Investment income earned, net	7,665,895
Income from other sources (third party funding, recoveries, sublease rent, etc.)	6,603,185
Capital assets	64,042
Publishing costs incurred	(408,886)
Administrative expenses incurred	(12,905,100)
Net program expenditures - actual and commitments	(54,177,574)
Unrestricted net assets, December 31, 2016	<u>7,774,099</u>

5. Program funding expended in the nine months ended December 31, 2016, including non-refundable portion of GST:

Project 2007-017 - UBC/Mortensen	12,000
Project 2009-033 - UBC/Mortensen	13,537
Project 2009-046 - UBC (MDRU) Hart	10,222
Project 2009-048 - UBC (MDRU) Hart	11,258
Project 2010-002 - PIP (funding formerly related to QUEST)	7,880
Project 2011-004 - HRB water monitoring study	19,488
Project 2011-015 - PIMS (MDRU)	6,019
Project 2011-021 - U of Calgary/Pattison	5,766
Project 2012-002 - Woodjam (MDRU)	23,305
NE BC Induced Seismicity Monitoring Program	95,071
SEEK	5,960
TREK - Geochemistry	975
Project 2013-003 - HRBPG/PTAC	10,250
Peace Project	246,002
Project 2014-006 - Höy/Jackaman	33,814
Project 2014-015 - UBC (MDRU) - Bouzari, Hart	66,015
Search Project	970,533
MIKH-CMIC Partnership Project	18,288
Project 2015-021 - New Resource Oil Plays (PRCL/Trican/Taurus)	104,250
Project 2015-022 - Direct-use Geothermal Resources in BC (Tuya Terra Corp)	3,813
Project 2015-031 - Induced Seismicity Monitoring (Bustins)	135,000
Project 2016-001 - Merging Geological, Seismic Reflection and Magnetotelluric data (Salt Spring I)	9,058
Project 2016-006 - Detrital gold (University of Leeds)	29,050
Project 2016-007 - Assessment of halogens and volatile compounds (Heberlein)	82,000
Project 2016-008 - TREK - MYAR Consulting	123,235
Project 2016-015 - BC RGS Sample Renanalysis (Noble)	111,001
Project 2016-019 - TREK - Noble Exploration	40,175
Project 2016-029 - Georeferencing and data capture pilot project (Purple Rock Inc.)	3,357
Project 2016-036 - TREK - Reflex Geosciences 1	54,544
Project 2016-037 - TREK - Reflex Geosciences 2	12,950
Project 2016-046 - Resource Oil Compilation (PRCL)	20,288
Project 2016-047 - Techno-Economic Assessment of Geothermal Energy (UVic)	10,000
Project 2016-048 - NEWS Project	113,871
Project 2016-049 - Curie Point Depth Mapping Pilot Study in NW BC (Mira Geoscience)	10,250
Project 2016-052 - Peace Region Magnetics Structural Interpretation (Scott Hogg & Associates)	15,119
Oil & Gas - consultants, logistics, and community engagement	10,122
Minerals - consultants and logistics (funding formerly related to QUEST)	3,924
	<u>2,448,390</u>

6. Subsequent events

Between January 1st and February 28th, 2017 Geoscience BC disbursed an aggregate of \$126,735 in previously-approved program spending.