

**Geoscience BC**  
**Interim Statement of Financial Position**  
**As at June 30, 2017**  
**(Unaudited - internally-prepared)**

Exhibit 'A'
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<b>Assets</b>	\$	March 31, 2017 \$ (audited)
<i>Current assets:</i>		
Cash and cash equivalents	192,758	475,453
Investments (Note 2)	21,085,593	12,043,977
Accrued interest receivable	35,911	27,661
Amounts receivable	132,386	10,155,396
Prepaid expenses and deposits	105,256	138,967
	<u>21,551,904</u>	<u>22,841,454</u>
Capital assets	47,966	56,075
	<u>21,599,870</u>	<u>22,897,529</u>
 <b>Liabilities</b>		
<i>Current liabilities:</i>		
Accounts payable & accrued liabilities	619,800	756,661
Deferred revenue	8,775,229	10,000,000
	<u>9,395,029</u>	<u>10,756,661</u>
 <b>Members' Equity</b>		
Net assets restricted for approved programs (Note 3)	5,314,595	4,727,248
Unrestricted net assets (Exhibit 'B', Note 4)	6,890,246	7,413,620
	<u>12,204,841</u>	<u>12,140,868</u>
	<u>21,599,870</u>	<u>22,897,529</u>

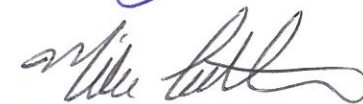
Basis of presentation (Note 1)  
Subsequent events (Note 6)

Refer also to accompanying notes - Exhibit 'C'

**Approved By the Board:**



Director



Director

Geoscience BC  
Interim Operations Statement  
For the three months ended June 30, 2017  
(Unaudited - internally-prepared)

Exhibit 'B'

	For the three months ended June 30, 2017		For the three months ended June 30, 2016		Year ended March 31, 2017	Forecast to March 31, 2018
	\$	\$	\$	\$	\$	\$
<b>Revenues:</b>						
Grants - Provincial Government		1,224,771		1,334,480	5,000,000	1,224,771
Investment income		63,959		190,898	616,638	63,959
Grants - other, and program reimbursements		-		15,000	265,244	-
Other		1		2	12,736	1
		<u>1,288,731</u>		<u>1,540,380</u>	<u>5,894,618</u>	<u>1,288,731</u>
<b>Expenditures:</b>						
<b>Program, including non-refundable portion of GST:</b>						
Program costs incurred (Note 5)	821,351		780,307		3,875,232	3,301,900 **
Program management *	102,539		116,625		465,967	513,000
Publishing costs	-		-		50,629	50,000
Scholarship awards	35,000		-		50,000	40,000
GIS server implementation	-		-		5,125	16,650
GIS server maintenance	7,568		10,343		17,243	12,500
		<u>(966,458)</u>		<u>(907,275)</u>	<u>(4,464,196)</u>	<u>(119,150)</u>
<b>Administration:</b>						
Salaries and Benefits *	107,205		122,949		788,644	521,000
Rent and utilities	40,446		40,838		165,823	170,000
Accounting, legal, insurance	30,284		38,887		164,354	115,000
Travel & Conferences/Conventions	13,853		18,869		120,399	95,000
Investment management fees	12,861		11,205		45,776	75,000
Computer maintenance, internet and email	8,266		4,885		23,506	20,000
Amortization of capital assets	8,109		8,155		35,613	36,000
Consulting	6,555		27,391		90,039	50,000
Dues/Memberships	6,107		565		6,370	13,000
Outreach - Government Relations and First Nations Engagement	6,000		64,430		300,659	27,000
Communications, Marketing and Community Engagement	5,451		34,880		120,302	140,000
Sponsorships	4,475		13,696		24,571	21,000
Non-refundable GST/HST	2,769		6,592		33,860	20,000
Office/miscellaneous	1,857		3,556		22,530	20,000
Telephone	1,390		1,328		8,677	8,000
Photocopier	1,340		2,240		7,305	9,000
Recruitment	1,000		18,360		69,349	25,000
Meeting expenses	332		12,192		32,516	25,000
Staff training and professional development	-		-		2,351	4,000
		<u>(258,300)</u>		<u>(431,018)</u>	<u>(2,062,644)</u>	<u>(1,394,000)</u>
Income earned in excess of expenditures		<u>63,973</u>		<u>202,087</u>	<u>(632,222)</u>	<u>(224,419)</u>
Net increase in unexpended funding commitments from March 31, 2017		(587,347)				
Add back: March 31, 2017 unexpended funding, restricted at that date		n/a				4,727,248
Balance, unrestricted net assets, March 31, 2017, audited		7,413,620				7,413,620
Balance, unrestricted net assets, June 30, 2017	(refer also to Note 4)	<u>6,890,246</u>				
		(to Exhibit 'A')				
Projected unrestricted net assets, March 31, 2018						<u>11,916,449</u>

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

\*\* inclusive of \$4,727,248 in unexpended funding commitments at March 31, 2017, 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

	30-Jun-17 Market value \$	31-Mar-17 Market value \$
BMO High Interest Savings account	1,174,813	1,152,966
1.41% GIC, Bank of Montreal, due May 5, 2017 (annual)	-	1,000,000
1.45% GIC, Bank of Montreal, due July 28, 2017 (annual)	1,500,000	1,500,000
1.00% GIC, National Bank of CDA, due October 3, 2017 (annual)	2,000,000	-
1.20% GIC, Bank of Montreal, due April 6, 2018, annual	2,000,000	-
1.15% GIC, Bank of Montreal, due May 7, 2018, annual	1,000,000	-
1.45% GIC, Bank of Montreal, due April 8, 2019, annual	1,000,000	-
	<u>8,674,813</u>	<u>3,652,966</u>
Connor, Clark and Lunn aggregate portfolio, at market value	12,410,780	8,391,011
	<u>21,085,593</u>	<u>12,043,977</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 \$12,861, 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, 2017:

Minerals - consultants and logistics (funding formerly related to QUEST)	38,476
Project 2010-002-PIP (funding formerly related to QUEST)	41,337
Committed in the year ended March 31, 2011:	<u>79,813</u>
NE BC Induced Seismicity Monitoring Program	132,215
Oil & Gas - consultants, logistics, and community engagement	177,602
TREK - Consultants, logistics	42,508
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>737,445</u>
TREK - First Nations engagement (from formerly related to QUEST)	52,752
GIS Server Implementation (formerly DAP & ArcGIS)	16,650
Project 2013-001 (Bustin, UBC)	150,000
Project 2013-003 - Long Term Water Availability in the Horn River Basin (HRBPG)	33,000
Committed in the year ended March 31, 2014:	<u>252,402</u>
PEACE Region Airborne Groundwater Mapping Project	188,705
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
Project 2015-001 (Jonathan Banks, Alberta Innovates)	30,000
Committed in the year ended March 31, 2015:	<u>320,055</u>
MIKH - CMIC Partnership seed funding	13,139
Project 2015-013 - BC Natural Gas Atlas (UVic)	250,952
Project 2015-021 - New Resource Oil Plays (PRCL, Trican and Taurus)	193,750
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 Imagin)	27,175
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 (Hi)	40,371
Project 2016-029 - Pilot project for georeferencing and data capture of National Instrument 43-101 (Pur)	11,643
Project 2016-048 - NEWS	38,566
Committed in the year ended March 31 2016:	<u>903,046</u>
Project 2016-004: Geological mapping, compilation and mineral evaluation, Boundary District, southern	35,080
Project 2016-008: from TREK geophysical funds - Myar Consulting	56,745
Project 2016-010: Structural Controls on Barkerville and Related Orogenic Gold Camps of Interior BC -	49,192
Project 2016-013: An Exploration Framework for Porphyry to Epithermal Transitions in the Toodoggone	123,650
Project 2016-019: from TREK geophysical funds - Noble Exploration Services Ltd.	40,175
Project 2016-025: Application of Genomics in Mineral Exploration (MDRU-Winterburn)	212,717
Project 2016-028: CSA Global integrated assessment of regional stream sediment geochemistry, north	50,900
Project 2016-032: Assessing BC Porphyry Fertility using Zircons - MDRU	109,794
Project 2016-036: from TREK geophysical funds - Reflex Geosciences	54,544
Project 2016-037: from TREK geophysical funds - Reflex Geosciences	12,950
Project 2016-043: Assessment of Fugitive Natural Gas on Near-Surface Groundwater Quality	200,000
Project 2016-047: Techno-Economic assessment of Geothermal Energy Resources	4,000
Project 2016-062: Amplification of Seismic Ground Motion Hazard Mapping	60,446
Project 2016-065: GHGMap Project	498,053
Project 2016-067: Canadian Carbonization Research Association proposal	62,700
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
Committed in the year ended March 31 2017:	<u>1,670,946</u>
SEARCH Project - Pha	1,345,888
Project 2016-018: QA/QC program for provincial Regional Geochemical Survey (RGS) Data	5,800
Committed in the three months ended June 30, 2017:	<u>1,350,888</u>
Restricted Funding commitments at June 30, 2017 - unspent	<u>5,314,595</u>

These funds remain on hand at June 30, 2017 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	63,024,771
Investment income earned, net	7,945,772
Income from other sources (third party funding, recoveries, sublease rent, etc.)	6,802,120
Publishing costs incurred	(418,234)
Administrative expenses incurred	(14,023,985)
Net program expenditures - actual and commitments	(56,440,198)
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Unrestricted net assets, June 30, 2017	<u>6,890,246</u>

**5. Program funding expended in the three months ended June 30, 2017, including non-refundable portion of GST:**

TREK - General & Project Management	1,671
NE BC Induced Seismicity Monitoring Program	37,440
PEACE Project	127,259
SEARCH Project	508,089
MIKH-CMIC Partnership Project	6,617
Project 2010-002-PIP (funding formerly related to QUEST)	3,362
Project 2013-003 - HRBPG	41,750
Project 2015-013: BC Natural Gas Atlas	4,305
Project 2016-004: Geological mapping, compilation and mineral evaluation, Boundary District, so	35,080
Project 2016-028: CSA Global integrated assessment of regional stream sediment geochemistry,	2,940
Project 2016-047: Techno-Economic assessment of Geothermal Energy Resources	6,000
Project 2016-062: Amplification of Seismic Ground Motion Hazard Mapping	39,872
Project 2016-065: GHGMap Project	1,937
Oil & Gas - consultants, logistics, and community engagement	133
Minerals - consultants and logistics (funding formerly related to QUEST)	4,896
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	<u>821,351</u>

**6. Subsequent events**

Between July 1st and September 12th, 2017 Geoscience BC disbursed an aggregate of \$987,164 in previously-approved program spending.