

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

Exhibit 'A'

	\$	March 31, 2017 \$ (audited)
Assets		
<i>Current assets:</i>		
Cash and cash equivalents	117,140	475,453
Investments (Note 2)	19,254,864	12,043,977
Accrued interest receivable	33,544	27,661
Amounts receivable	149,465	10,155,396
Prepaid expenses and deposits	112,493	138,967
	19,667,506	22,841,454
Capital assets	42,076	56,075
	19,709,582	22,897,529
Liabilities		
<i>Current liabilities:</i>		
Accounts payable & accrued liabilities	148,287	756,661
Deferred revenue	7,384,403	10,000,000
	7,532,690	10,756,661
Members' Equity		
Net assets restricted for approved programs (Note 3)	6,450,299	4,727,248
Unrestricted net assets (Exhibit 'B', Note 4)	5,726,593	7,413,620
	12,176,892	12,140,868
	19,709,582	22,897,529
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 six months ended September 30, 2017
(Unaudited - internally-prepared)

Exhibit 'B'

	For the six months ended Sept 30, 2017		For the six months ended Sept 30, 2016		Year ended March 31, 2017	Forecast to March 31, 2018
	\$	\$	\$	\$	\$	\$
Revenues:						
Grants - Provincial Government		2,615,597		2,591,600	5,000,000	2,615,597
Investment income		(1,048)		415,275	616,638	(1,048)
Grants - other, and program reimbursements		37,071		15,000	265,244	37,071
Other		1		2	12,736	1
		<u>2,651,621</u>		<u>3,021,877</u>	<u>5,894,618</u>	<u>2,651,621</u>
Expenditures:						
<u>Program, including non-refundable portion of GST:</u>						
Program costs incurred (Note 5)	1,890,659		1,494,117		3,875,232	8,324,308 **
Program management *	202,687		230,779		465,967	600,000
Scholarship awards	35,000		50,000		50,000	40,000
GIS server maintenance	12,005		15,450		17,243	12,500
Publishing costs	369		246		50,629	50,000
GIS server implementation	-		-		5,125	16,650
		<u>(2,140,720)</u>		<u>(1,790,592)</u>	<u>(4,464,196)</u>	<u>(9,043,458)</u>
<u>Administration:</u>						
Salaries and Benefits *	171,332		248,644		788,644	434,000
Rent and utilities	81,706		83,256		165,823	170,000
Accounting, legal, insurance	59,708		77,862		164,354	115,000
Investment management fees	29,467		22,682		45,776	75,000
Travel & Conferences/Conventions	29,299		38,572		120,399	95,000
Computer maintenance, internet and email	16,520		11,934		23,506	20,000
Amortization of capital assets	16,116		16,749		35,613	36,000
Consulting	13,279		41,819		90,039	50,000
Communications, Marketing and Community Engagement	11,654		53,012		120,302	140,000
Office/miscellaneous	6,974		12,084		22,530	20,000
Non-refundable GST/HST	6,682		15,165		33,860	20,000
Dues/Memberships	6,587		1,620		6,370	13,000
Recruitment	6,380		18,360		69,349	25,000
Outreach - Government Relations and First Nations Engagement	6,000		139,849		300,659	27,000
Sponsorships	5,475		19,196		24,571	21,000
Telephone	4,005		3,453		8,677	8,000
Meeting expenses	2,065		15,007		32,516	25,000
Photocopier	1,628		4,278		7,305	9,000
Staff training and professional development	-		1,530		2,351	4,000
		<u>(474,877)</u>		<u>(825,072)</u>	<u>(2,062,644)</u>	<u>(1,307,000)</u>
Income earned in excess of expenditures		<u>36,024</u>		<u>406,213</u>	<u>(632,222)</u>	<u>(7,698,837)</u>
Net increase in unexpended funding commitments from March 31, 2017		<u>(1,723,051)</u>				
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, September 30, 2017	(refer also to Note 4)	<u>5,726,593</u>				
		(to Exhibit 'A')				
Projected unrestricted net assets, March 31, 2018						<u>4,442,031</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.

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-17 Market value \$	31-Mar-17 Market value \$
BMO High Interest Savings account	949,292	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
1.00% 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>6,949,292</u>	<u>3,652,966</u>
Connor, Clark and Lunn aggregate portfolio, at market value	12,305,572	8,391,011
	<u>19,254,864</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 \$29,467, 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, 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>
Oil & Gas - consultants, logistics, and community engagement	173,160
TREK - Consultants, logistics	44,100
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>602,380</u>
TREK - First Nations engagement (from formerly related to QUEST)	51,081
GIS Server Implementation (formerly DAP & ArcGIS)	16,650
Project 2013-001 (Bustlin, 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>250,731</u>
PEACE Region Airborne Groundwater Mapping Project	108,884
Project 2014-006 (Höy/Jackaman)	16,907
Project 2014-007 (Chapman/Mileham, U. of Leeds)	18,428
Project 2014-015 (Bouzarji/Hart, MDRU)	66,015
Project 2015-001 (Jonathan Banks, Alberta Innovates)	30,000
Committed in the year ended March 31, 2015:	<u>240,234</u>
MIKH - CMIC Partnership seed funding	12,216
Project 2015-013 - BC Natural Gas Atlas (UVic)	246,340
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 Imaging)	27,175
Project 2016-006 - Detrital gold as a deposit-specific indicator mineral (U of Leeds)	12,450
Project 2016-029 - Pilot project for georeferencing and data capture of National Instrument 43-101 (Purple Rock)	11,643
Project 2016-048 - NEWS	38,566
Committed in the year ended March 31 2016:	<u>857,140</u>
Project 2016-004: Geological mapping, compilation and mineral evaluation, Boundary District, southern BC	35,080
Project 2016-010: Structural Controls on Barkerville and Related Orogenic Gold Camps of Interior BC - MDRU	29,515
Project 2016-013: An Exploration Framework for Porphyry to Epithermal Transitions in the Toadoggonne, MDRU	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)	106,359
Project 2016-028: CSA Global integrated assessment of regional stream sediment geochemistry, north Stikinia	49,640
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 2016-038: Search Multiple Scale Value Added Mapping Project - MDRU	139,127
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 2016-052: Amplification of Seismic Ground Motion Hazard Mapping	60,446
Project 2016-065: GHGMap Project	796,983
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>1,924,963</u>
SEARCH Phase III	743,038
NE BC Induced Seismicity Monitoring Program - extension	500,000
PEACE Region Airborne Groundwater Mapping Project - additional funding	200,000
Peace Regional Groundwater Monitoring Network	1,000,000
Project 2016-018: QA/QC program for provincial Regional Geochemical Survey (RGS) Data	2,000
Project 2016-066: Terrestrial Environmental Data Capture and Accessibility for Mining - Northwestern BC - ERM	50,000
Committed in the six months ended September 30, 2017:	<u>2,495,038</u>
Restricted Funding commitments at September 30, 2017 - unspent	<u>6,450,299</u>

These funds remain on hand at September 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	71,800,000
Investment income earned, net	7,880,765
Income from other sources (third party funding, recoveries, sublease rent, etc.)	6,839,190
Publishing costs incurred	(418,594)
Administrative expenses incurred	(14,193,783)
Net program expenditures - actual and commitments	<u>(58,796,582)</u>
	13,110,996
Deferred revenue - remainder of BC government grants to be expended	(7,384,403)
Unrestricted net assets, September 30, 2017	<u><u>5,726,593</u></u>

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

SEARCH Project	1,031,012
PEACE Project	207,081
NE BC Induced Seismicity Monitoring Program	60,670
MIKH-CMIC Partnership Project	7,541
TREK - General & Project Management	78
Project 2010-002-PIP (funding formerly related to QUEST)	3,362
Project 2013-003 - HRBPG	41,750
Project 2015-013: BC Natural Gas Atlas	8,917
Project 2016-004: Geological mapping, compilation and mineral evaluation, Boundary District, southern BC	35,080
Project 2016-007: Assessment of halogens and volatile compounds in vegetation - Heberlein	40,371
Project 2016-008: TREK:Real-time determination of trace elements in geochemical survey water samples-MYAR	52,742
Project 2016-010: Structural Controls on Barkerville and Related Orogenic Gold Camps of Interior BC - MDRU	19,677
Project 2016-018: Quality Assurance/Quality Control program for Regional Geochemical Survey Data	3,800
Project 2016-025: Application of Genomics in Mineral Exploration (MDRU-Winterburn)	106,358
Project 2016-028: CSA Global integrated assessment of regional stream sediment geochemistry, north Stikinia	4,200
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	211,007
Oil & Gas - consultants, logistics, and community engagement	4,574
Minerals - consultants and logistics (funding formerly related to QUEST)	4,896
Minerals - First Nations engagement (from formerly related to QUEST, then TREK)	1,671
	<u><u>1,890,659</u></u>

6. Subsequent events

Between October 1st and November 15th, 2017 Geoscience BC disbursed an aggregate of \$113,888 in previously-approved program spending.