


Geoscience BC
Interim Statement of Financial Position
As at September 30, 2018
(Unaudited - internally-prepared)

Exhibit 'A'

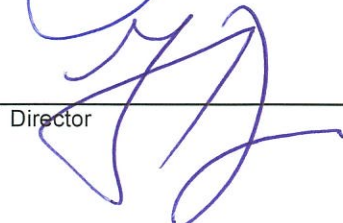
Assets	\$	March 31, 2018 \$ (audited)
<i>Current assets:</i>		
Cash and cash equivalents	504,118	277,661
Investments (Note 2)	15,218,423	16,705,788
Accrued interest receivable	19,873	48,755
Amounts receivable	109,770	448,450
Prepaid expenses and deposits	119,808	193,274
	15,971,992	17,673,928
 Capital assets	 34,948	 30,666
	16,006,940	17,704,594
 Liabilities		
<i>Current liabilities:</i>		
Accounts payable & accrued liabilities	66,161	276,828
Deferred revenue	2,186,123	4,024,616
	2,252,284	4,301,444
 Members' Equity		
Net assets restricted for approved programs (Note 3)	4,330,942	4,744,182
Unrestricted net assets (Exhibit 'B', Note 4)	9,423,714	8,658,968
	13,754,656	13,403,150
	16,006,940	17,704,594
 Basis of presentation (Note 1)		
Subsequent events (Note 6)		

Refer also to accompanying notes - Exhibit 'C'

Approved By the Board:



 Director



 Director

	For the three months ended Sept 30, 2018		For the three months ended Sept 30, 2017		For the six months ended Sept 30, 2018		For the six months ended Sept 30, 2017	
	\$	\$	\$	\$	\$	\$	\$	\$
Revenues:								
Grants - Provincial Government		931,646		1,390,826		1,838,493		2,615,597
Investment income		123,931		(65,007)		335,898		(1,048)
Grants - other, and program reimbursements		13,803		37,071		15,608		37,071
Other		-		-		-		1
		<u>1,069,380</u>		<u>1,362,890</u>		<u>2,189,999</u>		<u>2,651,621</u>
Expenditures:								
<u>Program, including non-refundable portion of GST:</u>								
Program costs incurred (Note 5)	518,689		1,069,308		886,574		1,890,659	
Program management *	146,019		100,148		303,638		202,887	
Scholarship awards	-		-		50,000		35,000	
GIS server implementation and maintenance	192		4,437		11,038		12,005	
Publishing costs	1,591		369		2,455		369	
		<u>(666,491)</u>		<u>(1,174,262)</u>		<u>(1,253,705)</u>		<u>(2,140,720)</u>
<u>Administration:</u>								
Accounting, legal, insurance	26,529		29,424		60,428		59,708	
Amortization of capital assets	5,491		8,007		13,194		16,116	
Consulting	7,200		6,724		14,360		19,279	
Dues/Memberships	3,512		480		10,902		6,587	
External Relations (formerly Communications & Marketing)	32,916		6,203		46,471		11,654	
Investment management fees	16,024		16,606		33,131		29,467	
IT (formerly Computer maintenance, internet and email)	4,984		8,254		16,376		16,520	
Meeting expenses	1,443		1,733		4,021		2,065	
Non-refundable GST/HST	4,907		3,913		8,709		6,682	
Office/miscellaneous	9,519		5,117		12,571		6,974	
Photocopier	1,710		288		3,453		1,628	
Recruitment	1,709		5,380		2,488		6,380	
Rent and utilities	43,300		41,260		86,404		81,706	
Salaries and Benefits *	75,302		64,127		186,509		171,332	
Sponsorships	7,000		1,000		25,800		5,475	
Telephone	2,316		2,615		4,156		4,005	
Travel & Conferences/Conventions	21,293		15,446		55,815		29,299	
		<u>(265,155)</u>		<u>(216,577)</u>		<u>(584,788)</u>		<u>(474,877)</u>
Income earned in excess of expenditures		<u>137,734</u>		<u>(27,949)</u>		<u>351,506</u>		<u>36,024</u>
Net increase in unexpended funding commitments during the period		543,112		(1,135,704)		413,240		(1,723,051)
Balance, unrestricted net assets, beginning of period		8,742,868		6,890,246		8,658,968		7,413,620
Balance, unrestricted net assets, end of period		<u>9,423,714</u>		<u>5,726,593</u>		<u>9,423,714</u>	**	<u>5,726,593</u>

(**to Exhibit 'A', refer also to Note 4)

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

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-18 Market value \$	31-Mar-18 Market value \$
BMO High Interest Savings account	4,308,471	65,618
2.15% GIC, Bank of Montreal, due May 9, 2019, annual	1,000,000	-
1.45% GIC, Bank of Montreal, due April 8, 2019, annual	1,000,000	1,000,000
1.15% GIC, Bank of Montreal, due May 7, 2018, annual	-	1,000,000
1.20% GIC, Bank of Montreal, due April 6, 2018, annual	-	2,000,000
	<u>6,308,471</u>	<u>4,065,618</u>
Connor, Clark and Lunn aggregate portfolio, at market value	8,909,952	12,640,170
	<u>15,218,423</u>	<u>16,705,788</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 \$33,131, 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, 2018:

Minerals:

TREK: Consultants, logistics	38,195
TREK: Geochemistry, Geophysics, Geothermal remainder	41,232
TREK: Geology & Integration	338,200
Project 2010-002: Porphyry Integration Project (funding formerly related to QUEST)	41,337
Project 2014-015: Mineralogical Characteristics of Porphyry Fertile Plutons (Bouzari/Hart, MDRU)	66,015
Project 2016-004: Geological mapping, compilation and mineral evaluation, Boundary District, southern BC	21,048
Project 2016-006: Detrital gold as a deposit-specific indicator mineral (U of Leeds)	12,450
Project 2016-013: An Exploration Framework for Porphyry to Epithermal Transitions in the Toadoggone (MDRU)	74,190
Project 2016-025: Application of Genomics in Mineral Exploration (MDRU-Winterburn)	63,815
Project 2016-029: Pilot project for georeferencing and data capture of NI 43-101 (Purple Rock)	11,607
Project 2016-032: Assessing BC Porphyry Fertility using Zircons (MDRU)	109,794
Project 2016-038: Search Multiple Scale Value Added Mapping Project (MDRU)	83,476
Project 2016-066: Terrestrial Environmental Data Capture and Accessibility for Mining - NW BC (ERM)	50,000
Project 2016-068: Mine reclamation project - Soil Amendments in Mine Closure (TRU)	25,000
Project 2016-069: Mine reclamation project - Biodiversity in Ecosystem Reclamation (TRU)	25,000
Project 2017-009: Metamorphic, structural, thermochronological evolution of E Kootenay metallogenic province	22,308
Project 2017-013: Producing Clean Coal using the Water-based Roben Jig-Refining the Process	30,419
Total Minerals Project Commitments:	<u>1,054,086</u>

Oil & Gas:

NE BC Induced Seismicity Monitoring Program - extension	375,921
Project 2013-001: Quantification of the Gas and Liquids in Place and Flow Characteristics (Bustin, UBC)	45,000
Project 2015-013: BC Natural Gas Atlas (UVic)	167,216
Project 2015-031: Monitoring & Risk Assessment of Anomalous Induced Seismicity (Bustins)	315,000
Project 2016-062: Amplification of Seismic Ground Motion Hazard Mapping	60,446
Project 2016-065: GHGMap Project	628,515
Project 2017-014: Hydrogen sulphide in unconventional reservoir rocks (Bustin, UBC)	180,000
Total Oil & Gas Project Commitments:	<u>1,772,098</u>

Geothermal:

Project 2018-003: Clarke Lake Demonstration Project Development (Associated Engineering)	77,163
Project 2018-004: Garibaldi Geothermal Volcanic Belt Assessment Project	500,000
Total Geothermal Project Commitments:	<u>577,163</u>

Water:

Project 2013-003: Long Term Water Availability in the Horn River Basin (HRBPG)	33,000
Project 2015-030: MIKH: CMIC Partnership seed funding	5,381
PEACE Region Airborne Groundwater Mapping Project	189,214
Project 2016-043: Assessment of Fugitive Natural Gas on Near-Surface Groundwater Quality	50,000
Project 2017-002: Peace Regional Groundwater Monitoring Network	650,000
Total Water Project Commitments:	<u>927,595</u>

Restricted Funding commitments at September 30, 2018 - unspent

4,330,942

These funds remain on hand at September 30, 2018 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 plus recoveries and other income	8,791,565
Direct partner funding	7,506,154
Administrative expenses incurred	(15,057,825)
Net program expenditures - actual and commitments	<u>(61,430,057)</u>
	11,609,837
Deferred revenue - remainder of BC government grants to be expended	(2,186,123)
Unrestricted net assets, September 30, 2018	<u><u>9,423,714</u></u>

5. Program funding expended in the six months ended September 30, 2018, including non-refundable portion of GST:

Minerals:

TREK: Consultants, logistics	41
TREK - Geochemistry	5,000
Project 2016-001: Merging Geological, Seismic Reflection (Salt Spring Imaging, Ltd.)	24,933
Project 2016-019: TREK: Adding value to till and lake sediment geochemical data	24,105
Project 2016-025: Application of Genomics in Mineral Exploration (MDRU-Winterburn)	42,543
Project 2016-028: CSA Global integrated assessment of regional stream sediment geochemistry, north	33,477
Project 2016-029: Pilot project for georeferencing and data capture of NI 43-101 (Purple Rock)	35
Project 2016-068: Mine reclamation project - Soil Amendments in Mine Closure (TRU)	25,000
Project 2016-069: Mine reclamation project - Biodiversity in Ecosystem Reclamation (TRU)	25,000
SEARCH Phase III	2,642
Total Minerals Project Expenditures:	<u>182,776</u>

Oil & Gas:

NE BC Induced Seismicity Monitoring Program	74,169
Project 2015-013: BC Natural Gas Atlas (UVic)	75,000
Project 2015-021: New Resource Oil Plays (PRCL, Trican and Taurus)	173,750
Project 2017-014: Hydrogen sulphide in unconventional reservoir rocks (Bustin, UBC)	180,000
Project 2016-065: GHGMap Project	32,969
Total Oil & Gas Project Expenditures:	<u>535,888</u>

Geothermal:

Project 2015-001: Dynamic Geothermal Reservoir Modeling in the Clarke Lake Gas Field (Alberta Innov.)	9,514
Project 2016-047: Techno-Economic assessment of Geothermal Energy Resources	4,000
Project 2018-003: Clarke Lake Demonstration Project Development (Associated Engineering)	22,837
Total Geothermal Project Expenditures:	<u>36,351</u>

Water:

Project 2015-030: MIKH: CMIC Partnership seed funding	1,559
Project 2017-002: Peace Regional Groundwater Monitoring Network	130,000
Total Water Project Expenditures:	<u>131,559</u>

Program funding expended in the six months ended September 30, 2018	<u><u>886,574</u></u>
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6. Subsequent events

Between October 1st and November 29, 2018 Geoscience BC disbursed an aggregate of \$14,655 in previously-approved program spending.