



**APGO**  
education  
foundation

## **ANNUAL REPORT**

# **APGO EDUCATION FOUNDATION**

## **2015**

**Prepared by**

**Board of Directors**

**May 16, 2016**

### **Our Mission**

*To provide financial and other support to promote a greater understanding of geoscience to the public, support the individuals who study geoscience and support the practice of professional geoscience. !!*

**Charitable Registration Number 84604 5052 RR0001**

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## About Us

The APGO Education Foundation (“**the Foundation**”) is a new charitable Foundation for geoscience registered under the Canada Not-for-profit Corporations Act, registration number 84604 5052 RR0001. The purpose of the Foundation is to **advance the education of the public in the area of geoscience by:**

- i) Providing scholarships to post-secondary students for the study of geoscience in a degree program;
- ii) Providing bursaries to immigrants to Canada who are internationally-trained geoscientists and have demonstrated financial need for completion of licensure procedures for registration as a professional geoscientist in Ontario; and
- iii) Holding lectures, presentations, and conferences on geoscience to enhance the knowledge of the general public.

The Foundation was founded by Dr. Bill Pearson, P.Geo., who was the founding President of the Association of Professional Geoscientists (APGO) which was formed under the Professional Geoscientists Act, 2000 passed by the Ontario legislature in June 2000. APGO regulates the practice of professional geoscience in Ontario. APGO provides important logistical and office support to the Foundation and works cooperatively with the Foundation to advance the goal of educating the public about geoscience and the important work that professional geoscientists carry out. As a charity, the Foundation has a separate Board and functions independently from APGO.

### ***Board***

**Dr. Bill Pearson, P.Geo., FGC Chair** – has over 40 years of experience in the national and international mining industry and has carried out exploration and development programs in 17 countries around the world. He was the founding President of the Association of Professional Geoscientists of Ontario (APGO) from 2000-2003. In 2015 he received the PDAC Distinguished Service Award for his service to Canada’s Mineral and Exploration Industry.

**Dr. Neil Westoll, P.Geo., P.Eng., FGC, FCIM Secretary & Treasurer** - is widely experienced in metal exploration and business development internationally, having spent over 40 years with senior and junior Canadian and international mining companies in exploration and business development and as an independent consultant to the mining industry. Since 2001, he has focussed on the environmental side of the mining business. He was appointed to the Council of the APGO in 2000, and served from its inception up to June 2006, and was Treasurer of the APGO until then.

**Kristin Hanson, M.Sc., P.Geo, FGC** - is a hydrogeologist with 25 years of experience in the environmental consulting business, where she has developed technical expertise in contaminated site assessment and remediation. Kristin is Vice President of Operations (Ontario) for the Environment & Water group at SNC-Lavalin. In her management role, Kristin focuses on combining technical skills and people skills to solve problems. Valuable experience was gained through her eight years of volunteer work on APGO Council, including serving as Council President in 2011-2012.

**Dr. Robert W. Hodder, P.Geo., P.Eng., CPG** - holds an undergraduate degree from Queen's University, Kingston, Ontario and PhD from the University of California at Berkeley. Robert is registered as a P.Geo, P.Eng, CPG and is a Fellow of GC, SEG, GAG, MAC, as well as a Life member of PDAC, CIM, and AMEBC. He is a recipient of the Duncan Derry Medal of the Geological Association of Canada and the Mentorship Medal of the Canadian Federation of Earth Sciences. He was employed in global mineral exploration for twelve years after graduate studies. In 1970 he was appointed to the faculty of the Geology Department, University of Western Ontario and has been a Professor Emeritus since he retired from the university in 1993. He continues to work for a number of junior Canadian exploration companies on epithermal gold deposits in Central and South America.

**Dr. Nancy E. McInerney-Lacombe, DM, MBA, BA (Hons)** – is a senior executive with close to 30 years of domestic and international experience in the financial sector. Nancy's career has spanned three distinct areas including: Senior Vice President, Royal Bank of Canada; Director, Office of the Superintendent of Financial Institutions, Federal Government of Canada; and Financial Sector Specialist in East Africa for The World Bank Group. Nancy also performed an Executive in Residence (EIR) role at the Richard Ivey School of Business 2005 - 2014. She will return to Ivey as an EIR in 2016. She also served as a Board member and Chair of the Advancement Committee, Rosseau Lake College, Muskoka, Ontario 2013 - 2015. Previous public board experience includes Chair of the Audit Committee of Desert Sun Mining Corporation prior to the takeover by Yamana Gold Corp. in 2006.

### ***Management Team***

#### **Dr. Bill Pearson, P.Geo., Chair**

**Andrea Waldie, P.Geo., FGC Business Manager** - is currently a consultant to the mineral exploration industry, consults on matters of professional geoscience and governance, and acts as a project manager through her company Waldie Geo-Governance. She holds a B.Sc. in Earth Science from the University of Waterloo, is a registered professional geoscientist in Ontario and a Fellow of Geoscientists Canada. Andrea spent over 20 years in the mineral exploration and mining industry consulting for both major and junior mining exploration companies prior to joining the Association of Professional Geoscientists of Ontario (APGO) as the Executive Director and Registrar from 2007 through 2012. Andrea currently co-chairs the APGO Registration Committee.

**Bernard Kradjian (APGO), Communications** - has over 10 years of solid experience in communications and marketing including website and social media development. As a consultant, he has developed and branded websites and social media accounts for a number of public and private sector organizations. He has produced and edited videos and has extensive experience on YouTube. Since 2008, he has been the communications manager for APGO and is responsible for their popular "Field Notes" that is distributed to more than 3000 people each week. In addition he develops for APGO presentations, writes and edits reports including the Annual Report and designs promotional items for tradeshow and the Annual General Meeting.

**Marcia Meyer (APGO), Bookkeeper** – is a graduate of the University of Western Ontario (now Western University) in 1977 and since graduation has been involved in various banking and retail financial administration. Since 2003 she has been a contract bookkeeper to over 30 small businesses including the Association of Professional Geoscientists of Ontario. She is the bookkeeper for Ed Fdn, responsible for managing payables and keeping Foundation books as well as interfacing with auditors in preparation of year ends.

## **Our Activities**

The Foundation received its charitable registration in October 2014 and began operations in January 2015. The focus of its first year was primarily on setting up administrative systems for operations and raising initial startup funding. Highlights included:

- A total of \$35,841 in donations and grants were received in 2015
- Deferred funding for scholarships totaling \$10,000 was received
- A service agreement valued at \$22,500 was negotiated with APGO in November 2014 to provide office support, book keeping & managerial services.
- Website at [www.apgoedfoundation.ca](http://www.apgoedfoundation.ca) was launched in March 2015
- Foundation was registered with Canada Helps - <https://www.canadahelps.org/en/charities/apgo-education-foundation/>
- The Foundation presented a test geovideo developed in cooperation with Dr. David Pearson of Laurentian University at the annual Prospectors & Developers Association of Canada (PDAC) convention held March 2015 in Toronto.
- A business plan was developed for the “**Geoscience Education Program**” of which the geovideos will be a core part.

“In 2015 we put all the administrative systems in place with strong support from APGO” said Bill Pearson, Chair, “2016 will be the year that we begin implementing our programs. We want to thank the generosity of all our donors for making our first year of operations a success and setting the stage for an even more successful year in 2016 as we work to fulfill our goal to bring a better understanding of geoscience to the public as well as help build the future of geoscience and our profession.”

## ***Outlook for 2016***

Subsequent to the year end, on March 24, 2016 the Foundation launched its Scholarship and Bursary Program:

- **Scholarships** will support post-secondary students in the third year of a geoscience study program at an Ontario university. Two scholarships of \$5,000 each will be awarded to two students of geoscience who, in Spring of 2016, have met the requirements for advancement into a fourth year that will enable completion of the knowledge requirements for professional registration in the Association of Professional Geoscientists of Ontario (APGO).

- **Bursaries** will support immigrants to Canada who are internationally-trained geoscientists and have demonstrated financial need for completion of licensure procedures for registration as a professional geoscientist (P.Ge.) in Ontario. Two bursaries of \$5,000 each will be awarded.

The scholarships and bursaries will be awarded at the Annual Meeting of APGO on June 9, 2016.

A priority goal for the Foundation in 2016 is to develop a web-based and smartphone-friendly system to distribute geoscience education content to enhance the knowledge of the general public. The Foundation has developed a business plan that outlines the proposed approach to develop, deliver and grow the Geoscience Education Program. Using this program as a base, it is the longer term objective of the Foundation to hold public lectures, presentations and conferences to further enhance the knowledge of the general public about geoscience.

## **Donors**

We want to thank the generosity of all our donors and supporters that have made this year very successful and have allowed us to build a strong base to move forward to commence implementation of our programs in 2016.

## **Contacts**

Dr. Bill Pearson, P.Ge.

Chair

[chair@apgoedfoundation.ca](mailto:chair@apgoedfoundation.ca)

Andrea Waldie, P.Ge.

Business Manager

[manager@apgoedfoundation.ca](mailto:manager@apgoedfoundation.ca)

## **LIST OF DONORS**

The APGO Education Foundation is deeply grateful to its Founding Sponsors and all of its donors for their generous support

### **FOUNDING SPONSORS**

**Anonymous**

**APGO**

**Bill Pearson**

**William Pearson Family Fund**

### **INDIVIDUAL CONTRIBUTORS**

#### **Gold \$100 to \$500**

**D. Jean Hutchinson in honour of Dr. Al Gorman**

**Gordon White**

#### **Friends \$20 to \$99**

**Cooksville Creek Public School**

**Grade 5 Danceathon**

**Andrea Waldie**

**Dorene Weston**

### **IN-KIND CONTRIBUTORS**

**Maureen Jensen**

**David Pearson**

**Sulliden Capital Corporation**

**AUDITED FINANCIAL STATEMENTS**

**Year Ended December 31, 2015**



**APGO EDUCATION FOUNDATION**

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**Year Ended December 31, 2015**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of APGO Education Foundation

We have audited the accompanying financial statements of APGO Education Foundation, which comprise the statement of financial position as at December 31, 2015 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*(continues)*

Independent Auditor's Report to the Members of APGO Education Foundation *(continued)*

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of APGO Education Foundation as at December 31, 2015 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

A handwritten signature in black ink that reads "Bateman Mackay LLP". The signature is written in a cursive, flowing style.

Mississauga, Ontario  
March 18, 2016

CHARTERED PROFESSIONAL ACCOUNTANTS  
Licensed Public Accountants

APGO EDUCATION FOUNDATION

Statement of Financial Position

December 31, 2015

	<i>December 31</i> <b>2015</b>	<i>December 31</i> 2014
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 12,410	\$ -
Marketable securities (Note 2)	19,864	-
Harmonized sales tax recoverable	1,483	-
Prepaid expenses	1,061	-
	<hr/> <b>\$ 34,818</b>	<hr/> <b>\$ -</b>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 6,805	\$ -
 DEFERRED CONTRIBUTIONS (Note 3)	 <hr/> <b>10,000</b>	 <hr/> -
	<b>16,805</b>	-
 <b>NET ASSETS</b>		
General fund	<hr/> <b>18,013</b>	<hr/> -
	<hr/> <b>\$ 34,818</b>	<hr/> <b>\$ -</b>

**ON BEHALF OF THE BOARD**

William N Pearson Director

Neil D.S. Westoll Director

**APGO EDUCATION FOUNDATION**  
**Statement of Revenues and Expenditures**  
**For the Year Ended December 31, 2015**

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**REVENUES**

Donations	\$ 25,841
Contributed services <i>(Note 4)</i>	22,500
Grants <i>(Note 5)</i>	10,000
	<hr/>
	58,341
	<hr/>

**EXPENDITURES**

General and administrative expenses <i>(Note 4)</i>	22,500
Legal fees	9,200
Accounting fees	4,158
Website expenses	2,161
Professional fees	1,164
Office	753
Administration fees	213
Interest and bank charges	43
	<hr/>
	40,192
	<hr/>

**EXCESS OF REVENUES OVER EXPENDITURES FROM OPERATIONS**

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**18,149**

**OTHER INCOME**

Dividend income	130
Unrealized loss on marketable securities	(266)
	<hr/>
	(136)
	<hr/>

**EXCESS OF REVENUE OVER EXPENDITURES**

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**\$ 18,013**

**APGO EDUCATION FOUNDATION**

**Statement of Changes in Net Assets**

**Year Ended December 31, 2015**

	General Fund	Bursaries Fund	2015
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ -	\$ -	\$ -
Excess of revenue over expenditures	18,013	-	<b>18,013</b>
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 18,013</b>	<b>\$ -</b>	<b>\$ 18,013</b>

**APGO EDUCATION FOUNDATION**

**Statement of Cash Flow**

**Year Ended December 31, 2015**

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**OPERATING ACTIVITIES**

Excess of revenues over expenses \$ 18,013

Item not affecting cash:

    Unrealized loss on marketable securities 266

18,279

Changes in non-cash working capital:

    Accounts payable and accrued liabilities 6,805

    Prepaid expenses (1,061)

    Harmonized sales tax payable (1,483)

4,261

Cash flow from operating activities 22,540

**INVESTING ACTIVITIES**

    Purchase of marketable securities (20,000)

    Dividends reinvested (130)

Cash flow used by investing activities (20,130)

**FINANCING ACTIVITY**

    Deferred contributions 10,000

**INCREASE IN CASH FLOW** 12,410

Cash - beginning of year -

**CASH - END OF YEAR** \$ 12,410

# APGO EDUCATION FOUNDATION

## Notes to Financial Statements

Year Ended December 31, 2015

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### DESCRIPTION OF ACTIVITIES

APGO Education Foundation (the "Foundation") is incorporated under the Canada Corporations Act as a corporation without share capital. It is a registered charity under the Income Tax Act (Canada) and as such is not subject to income tax.

The Foundation's objective is to provide financial and other support to promote a greater understanding of the profession of geoscience, support the individuals who study geoscience, and support the practice of professional geoscience. The purpose of the Foundation is to advance the education of the public in the area of geoscience by:

1. Providing scholarships to post-secondary students for the study of geoscience in a degree program;
2. Providing bursaries to immigrants to Canada who are internationally-trained geoscientists and have demonstrated financial need for completion of licensure procedures for registration as a professional geoscientist in Ontario; and
3. Holding lectures, presentations, conferences on geoscience to enhance the knowledge of the general public.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

#### Revenue recognition

APGO Education Foundation follows the deferral method of accounting for contributions, which includes donations and grants.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

#### Contributed services

Contributed materials and services are recognized only when a fair value can be reasonably estimated, the materials and services are used in the normal course of operations and the materials and services would otherwise have been purchased.

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**APGO EDUCATION FOUNDATION**

**Notes to Financial Statements**

**Year Ended December 31, 2015**

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments policy

*Measurement of financial instruments*

The Company initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Financial assets measured at fair value include marketable securities.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial statement items subject to significant management judgement include revenue recognition, and the completeness of accounts payable and accrued liabilities.

2. MARKETABLE SECURITIES

	2015	
	<u>Book Value</u>	<u>Fair Value</u>
Mutual funds	<u>20,130</u>	<u>19,864</u>

3. DEFERRED CONTRIBUTIONS

Deferred contributions are donations restricted to be used for scholarships and bursaries. The donations will be recognized as revenue in the year the related expenditures are incurred under the deferral method.

4. CONTRIBUTED SERVICES

The Foundation has a service agreement with the Association of Professional Geoscientists of Ontario (APGO). The agreement is for an initial two year term expiring December 2016 and includes automatic renewals for terms of one year. Under the agreement the APGO provides services including bookkeeping, issuance of charitable receipts, maintenance of website and social media accounts and management of communications.

Additional contributed services from other sources have not been recognized in the financial statements as the fair value of such services can not be reasonably estimated.

# APGO EDUCATION FOUNDATION

## Notes to Financial Statements

Year Ended December 31, 2015

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### 5. GRANTS

During the year the Foundation received a grant from the William Pearson Family Fund through Giftfunds Canada to be used for start-up capital. As expenditures related to the grant were incurred and recognized during the year the revenue has been recognized under the deferral method.

### 6. GENERAL FUND

The general fund is used to pay for operating expenses including legal, audit, marketing and administration costs.

### 7. RESTRICTED FUNDS

The restricted fund is for donations that have been specifically allocated by the donor for scholarships and/or bursaries. In 2016 the Foundation will add an additional restricted fund for "Education Fund" for donor funds designated for geovideos and education of the public.

### 8. FINANCIAL INSTRUMENTS

The Foundation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Foundation's risk exposure and concentration as of December 31, 2015.

#### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

#### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Foundation is mainly exposed to other price risk.

#### Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Foundation is exposed to other price risk through its investment in quoted shares.