



BC ASSESSMENT

British Columbia Assessment Authority

Financial Statements

Year ended March 31, 2025

Management’s Responsibility for the Financial Statements

The accompanying financial statements of the British Columbia Assessment Authority (the “Authority”) are the responsibility of the Authority’s management and have been prepared in compliance with legislation and in accordance with generally accepted accounting principles for public sector organizations established by the Public Sector Accounting Board of the Chartered Professional Accountants. A summary of the significant accounting policies is described in note 2 of the accompanying notes to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management’s judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Authority’s management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The Audit and Risk Management Committee meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to the Board of Director’s approval of the financial statements. The financial statements have been audited by KPMG LLP. The accompanying Independent Auditors’ Report outlines their responsibilities, the scope of their examination and their opinion on the Authority’s financial statements.

Char Paul
Vice President and
Executive Financial Officer



Jason Grant
President and
Chief Executive Officer





KPMG LLP

St. Andrew's Square II
800-730 View Street
Victoria BC V8W 3Y7
Canada
Telephone 250 480 3500
Fax 250 480 3539

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the British Columbia Assessment Authority

Opinion

We have audited the financial statements of the British Columbia Assessment Authority ("the Entity"), which comprise:

- the statement of financial position as at March 31, 2025
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statements of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2025 and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, 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.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants

Victoria, Canada
May 15, 2025

Statement of Financial Position

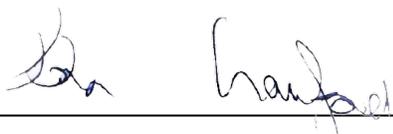
(Tabular amounts in thousands of dollars)

As at March 31, 2025

	March 31 2025	March 31 2024
Financial assets		
Cash and cash equivalents (note 3)	\$ 6,536	\$ 2,554
Accounts receivable	28,328	27,913
Due from provincial government (note 12)	38	8
	34,902	30,475
Liabilities		
Accounts payable and accrued liabilities	4,227	4,090
Due to provincial government (note 12)	2,177	2,707
Employee future benefits and other liabilities (note 4)	12,621	11,627
Deferred revenue	98	104
Lease inducements	2,916	2,901
	22,039	21,429
Net financial assets	12,863	9,046
Non-financial assets		
Tangible capital assets (note 5)	43,786	48,350
Prepaid expenses	4,111	2,790
	47,897	51,140
Accumulated surplus (note 6)	\$ 60,760	\$ 60,186

Commitments (note 7); Contractual rights (note 11)

Approved on behalf of the Board of Directors:



John Crawford
Chair, Audit & Risk
Management Committee



Ruth Wittenberg
Chair, Board of Directors

The accompanying notes are an integral part of these financial statements.

Statement of Operations and Accumulated Surplus
(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

	Budget (note 10)	March 31 2025	March 31 2024
Revenues			
Tax levies	\$ 119,743	\$ 119,940	\$ 114,215
Data access services (note 8)	4,018	3,791	4,059
Payments in lieu of taxes	1,050	1,114	1,059
Indigenous Nations	850	900	832
Investment income	500	1,274	1,353
Other income	20	48	38
Gain/(loss) on disposal of tangible capital assets	-	90	(3)
Total revenues	126,181	127,157	121,553
Expenses			
Employee expenses (note 10)	81,592	85,935	82,695
Information technology	17,964	16,088	15,958
Office premises	6,360	6,009	5,982
Corporate and office	3,418	3,465	3,161
Amortization of tangible capital assets	7,649	7,145	7,512
Appeal costs (note 9)	4,664	3,415	4,016
Travel	1,551	1,429	1,512
Assessment notice printing and postage	2,983	3,097	2,885
Total expenses	126,181	126,583	123,721
Annual surplus/(deficit)	-	574	(2,168)
Accumulated surplus, beginning of year	60,186	60,186	62,354
Accumulated surplus, end of period (note 6)	\$ 58,912	\$ 60,760	\$ 60,186

The accompanying notes are an integral part of these financial statements.

Statement of Change in Net Financial Assets
(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

	Budget (note 10)	March 31 2025	March 31 2024
Annual surplus/(deficit)	\$ -	\$ 574	\$ (2,168)
Acquisition of tangible capital assets	(8,657)	(3,793)	(5,850)
Amortization of tangible capital assets	7,649	7,145	7,512
(Gain)/loss on disposal of tangible capital assets	-	(90)	3
Write down of tangible capital assets	-	1,209	40
Proceeds on sale of tangible capital assets	-	93	1
Change in tangible capital assets	(1,008)	4,564	1,706
Change in prepaid expenses	-	(1,321)	(442)
Change in net financial assets	(1,008)	3,817	(904)
Net financial assets, beginning of year	9,046	9,046	9,950
Net financial assets, end of period	\$ 8,038	\$ 12,863	\$ 9,046

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

	March 31 2025	March 31 2024
Cash provided by (used in):		
Operating activities		
Annual surplus/(deficit)	\$ 574	\$ (2,168)
Items not involving cash		
Amortization of tangible capital assets	7,145	7,512
Change in lease inducements	15	(534)
(Gain)/loss on disposal of tangible capital assets	(90)	3
Write down of tangible capital assets	1,209	40
Change in employee benefits and other liabilities	994	254
Change in non-cash assets and liabilities		
Accounts receivable	(415)	2,140
Due from provincial government	(30)	4
Accounts payable and accrued liabilities	137	880
Due to provincial government	(530)	(486)
Deferred revenue	(6)	4
Prepaid expenses	(1,321)	(442)
Net change in cash from operating activities	7,682	7,207
Capital activities		
Proceeds on sale of tangible capital assets	93	1
Acquisition of tangible capital assets	(3,793)	(5,850)
Net change in cash from capital activities	(3,700)	(5,849)
Net change in cash and cash equivalents	3,982	1,358
Cash and cash equivalents, beginning of year	2,554	1,196
Cash and cash equivalents, end of period	\$ 6,536	\$ 2,554

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

1. Corporate Information

British Columbia Assessment Authority (the "Authority") was established in 1974 as an independent Crown corporation by the Province of British Columbia by enactment of the *Assessment Authority Act*. The purpose of the Authority is to establish and maintain assessments that are uniform in the whole of the province in accordance with the *Assessment Authority Act*. The Authority is not subject to federal or provincial corporate income taxes.

2. Significant Accounting Policies

a) Basis of accounting

These financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards as established by the Public Sector Accounting Board (PSAB).

b) Financial instruments

Financial instruments consist of cash and cash equivalents, accounts receivable, due from provincial government, accounts payable and accrued liabilities, due to provincial government and employee future benefits and other liabilities, excluding those accounted for as retirement benefits or post-employment benefits, compensated absences, termination benefits, and deferred revenue. Cash and cash equivalents are measured at net book value plus interest earned. Accounts receivable and due from provincial government are recorded at amortized cost less amount for valuation allowance. Liabilities are recorded at amortized cost.

c) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the reporting date, and the reported amounts of revenues and expenses during the period.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Significant estimates include assumptions used in estimating provisions for accrued revenues and liabilities, the useful life of capital assets, and actuarial valuations of employee future benefits. Actual results could differ from these estimates.

Notes to Financial Statements

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

2. Significant Accounting Policies (continued)

d) Investments

Short-term highly liquid investments that are redeemable on demand without penalty are classified as cash and cash equivalents. Investments are recorded at net book value plus accrued interest earned and are amortized over the term of the investments.

When there is an other-than-temporary decline in the value of an investment, the investment is written down to recognize the loss.

e) Employee future benefits

The Authority and its employees contribute to the Public Service Pension Plan, which is administered under the *Public Service Pension Plans Act*. This plan is a multi-employer defined benefit plan that provides pension benefits based on the member's age at retirement, length of service, and the highest average earnings over five years. Inflation adjustments to pension benefits are contingent on available funding. The Public Service Pension Board of Trustees determines required contribution rates annually. Participating employers account for their contributions as defined contribution plan expenses because the plan's accrued assets and liabilities are pooled and there is no consistent and reliable basis for allocating the obligation, assets and costs to individual employers.

The Authority provides retirement and other future benefits to its employees outside of the Public Service Pension Plan. These benefits include a retirement allowance, unearned vacation entitlement, and death benefits. The costs of these benefits are actuarially determined based on service and management's best estimates of retirement ages, future salary and wage increases, long-term inflation rates, and discount rates. The obligations under these benefit plans are accrued based on projected benefits earned by employees as services are rendered. Actuarial gains and losses are amortized over the expected average remaining service life of the employees.

f) Leasehold improvement inducements

Lease inducements, which may include cash payments, tenant improvement allowances, reduced rent, or rent-free periods, are amortized on a straight-line basis over the term of the lease.

Notes to Financial Statements

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

2. Significant Accounting Policies (continued)

g) Non-financial assets

Non-financial assets are held for use in the provision of services and are not available to discharge existing liabilities. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations.

h) Tangible capital assets

Tangible capital assets are recorded at cost, including all amounts directly attributable to the acquisition, construction, development, or betterment of the asset. Tangible capital assets, excluding land, are amortized on a straight-line basis over their estimated useful lives, as follows:

Asset Class	Useful Life - years
Land	Indefinite
Buildings	40
Furniture and office equipment	3 to 5
Computer equipment	3 to 5
Vehicles	7
Minor computer systems - software	3 to 5 or term of contract
Major computer systems - software	10
Leasehold improvements	Equal to lease term

Software under development is not amortized until it is available for productive use.

The useful life of Major computer systems – software is determined by management in consultation with external professional advisors and is approved by the Board of Directors.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Authority’s ability to provide services or when the future economic benefits associated with the tangible capital assets are less than their net book value. Write-downs are recognized as an expense in the statement of operations and accumulated surplus in the year recognized.

Notes to Financial Statements

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

2. Significant Accounting Policies (continued)

i) Leased tangible capital assets

Leases that transfer substantially all the benefits and risks of ownership are classified as leased tangible capital assets. As at March 31, 2025, the Authority did not have any leased tangible capital assets. All other leases are accounted for as operating leases, and the lease payments are charged to expenses as incurred.

j) Revenues

Revenue is recognized in the period in which the transactions or events giving rise to the revenue occur.

Tax levies: Each year, the Authority, by by-law and with the prior approval of the Lieutenant Governor in Council, imposes and levies a tax upon all taxable real property in the province, excluding property taxable for school purposes under special Acts. A copy of this by-law is provided to each municipality, the Surveyor of Taxes, each taxing Treaty First Nation, and Nisga'a Nation, enabling the taxes to be placed on the applicable tax rolls. Proceeds collected by the municipalities or the Minister of Finance constitutes the Authority's tax levy revenue, which is recognized evenly throughout the fiscal year.

Indigenous Nations: Under the *Indian Self Government Enabling Act*, municipalities and the Province may participate in First Nation property assessment and taxation systems. The Authority contracts with Indigenous Nations for the provision of assessment services, recognizing annual revenue upon satisfaction of contracted performance obligations.

Data access services: Revenue from the sale of property assessment data to third parties, either directly or through BC Online, is recognized upon data delivery. For multi-year contracts, revenue is recognized as products are delivered according to the contract delivery schedule. Deferred revenue is recognized for unfulfilled performance obligations, and recognized evenly over the delivery period.

Investment Income: Investment income includes interest earned on deposits and earnings from short-term investments. Investment income is recognized as revenue in the period earned.

Notes to Financial Statements

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

2. Significant Accounting Policies (continued)

Other Income: Other income includes revenue from payments in lieu of taxes and other miscellaneous revenue. Miscellaneous revenue is recognized when data is delivered or services rendered, while revenue from payments in lieu of taxes is recognized evenly over the fiscal year.

3. Cash and Cash Equivalents

The cash and cash equivalents reported on the statement of financial position consist of the following:

	March 31 2025	March 31 2024
Cash	\$ 1,138	\$ 1,006
Cash equivalents	5,398	1,548
Total	\$ 6,536	\$ 2,554

4. Employee Future Benefits and Other Liabilities

The employee future benefits and other liabilities reported on the statement of financial position consist of the following:

	March 31 2025	March 31 2024
Employee future benefits	\$ 5,239	\$ 4,978
Other liabilities	7,382	6,649
Total	\$ 12,621	\$ 11,627

Other liabilities include outstanding payables related to employer remittances, accrued salaries, vacation entitlements, overtime, and earned time off.

Notes to Financial Statements

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

4. Employee Future Benefits and Other Liabilities (continued)

a) Employee future benefits

Outside of participation in the Public Service Pension Plan, the Authority annually accrues its future obligations under its defined retirement benefit plan as the employees render the services to earn these benefits. The retirement benefit plan includes retirement allowances, unearned vacation entitlements, and death benefits.

An independent actuarial valuation of the employee future benefits obligation and the net periodic benefit cost was completed as at March 31, 2023, by Eckler Ltd., using membership data and management's assumptions regarding salary escalation and expected retirement ages. The recorded liability represents the present value of these estimated future costs, discounted using market interest rates applicable to the Authority.

Information regarding the Authority's retirement benefit plan is as follows:

Accrued employee future benefits obligation	March 31 2025	March 31 2024
Balance, beginning of year	\$ 4,978	\$ 4,568
Current benefit cost	365	354
Interest	226	207
Benefits paid	(421)	(246)
Amortization of loss	91	95
Balance, end of year	\$ 5,239	\$ 4,978

Actuarial reconciliation at the end of year	March 31 2025	March 31 2024
Actuarial employee future benefits liability	\$ 5,764	\$ 5,535
Unamortized actuarial loss	(525)	(557)
Balance, end of year	\$ 5,239	\$ 4,978

Notes to Financial Statements

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

4. Employee Future Benefits and Other Liabilities (continued)

The significant actuarial assumptions adopted in measuring the Authority’s accrued benefit obligations are as follows:

	March 31 2025	March 31 2024
Discount rate	3.88%	4.02%
Expected future inflation rate	2.00%	2.00%
Expected productivity and seniority increases	0% to 4%	0% to 4%

Over time, changes in assumptions and differences between actuarial experience and expected results will result in actuarial gains or losses in future valuations. In 2024/25, this resulted in a net actuarial loss of \$59 thousand, attributed to the change in discount rate from 4.02% to 3.88% per annum.

The cumulative unamortized actuarial loss on future benefit payments, net of gains, as at March 31, 2025, is amortized over the estimated average service lives of employees, which is 11 years (2023/24 - 11 years).

b) Employee pension benefits

The Authority and its employees contribute to the Public Service Pension Plan (the Plan), a jointly trustee, multi-employer contributory defined benefit pension plan. The Plan is governed by the Public Service Pension Board of Trustees, which is responsible for the management of the Plan, including investments of assets and administration of benefits.

Basic pension benefits are based on a defined formula. As at March 31, 2024, the Plan had approximately 75,821 active members and 56,528 retired members.

An actuarial valuation is performed every three years to assess the financial position of the Plan and the adequacy of its funding. The actuary determines an appropriate combined employer and member contribution rate to fund the Plan. The latest actuarial valuation as at March 31, 2023, indicated a funding surplus of \$4.5 billion for basic pension benefits.

For the year ended March 31, 2025, the Authority made \$6.3 million in employer contributions to the Plan (2023/24 - \$6.0 million).

Notes to Financial Statements

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

5. Tangible Capital Assets
a) Changes to tangible capital assets within the year

Cost	March 31 2024	Additions	Disposals, Write-downs & Transfers	March 31 2025
Land	\$ 91	\$ -	\$ -	91
Buildings	1,544	178	-	1,722
Furniture & office equipment	6,976	615	(1,923)	5,668
Computer equipment	8,773	1,124	(129)	9,768
Vehicles	1,244	76	(127)	1,193
Leasehold improvements	8,715	635	(415)	8,935
Major computer systems - software	53,745	-	-	53,745
Minor computer systems - software	377	-	(58)	319
Software under development	1,541	1,165	(1,209)	1,497
Total	\$ 83,006	\$ 3,793	\$ (3,861)	\$ 82,938

Accumulated Amortization	March 31 2024	Disposals	Amortization expense	March 31 2025
Land	\$ -	\$ -	\$ -	-
Buildings	1,457	-	7	1,464
Furniture & office equipment	6,217	(1,920)	365	4,662
Computer equipment	5,856	(129)	1,110	6,837
Vehicles	936	(127)	80	889
Leasehold improvements	6,829	(415)	398	6,812
Major computer systems - software	13,102	-	5,159	18,261
Minor computer systems - software	259	(58)	26	227
Software under development	-	-	-	-
Total	\$ 34,656	\$ (2,649)	\$ 7,145	\$ 39,152

Notes to Financial Statements

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

5. Tangible Capital Assets (continued)

Net book value	March 31 2024	March 31 2025
Land	\$ 91	\$ 91
Buildings	87	258
Furniture & office equipment	759	1,006
Computer equipment	2,917	2,931
Vehicles	308	304
Leasehold improvements	1,886	2,123
Major computer systems - software	40,643	35,484
Minor computer systems - software	118	92
Software under development	1,541	1,497
Total	\$ 48,350	\$ 43,786

b) Software under development

Software development projects can span multiple fiscal periods. The Software under development category does not include projects that have been terminated or placed on hold indefinitely. In accordance with Public Sector Accounting Standard 3150, Software under development is not subject to amortization, as it represents the accumulated costs incurred to date for projects that are not yet substantially complete by the end of the fiscal year. In 2024/25, \$1.2 million in capital work-in-progress was written-down.

Notes to Financial Statements

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

6. Accumulated Surplus

Accumulated surplus consists of individual fund surplus and reserves as follows:

	March 31 2025	March 31 2024
Surplus		
Invested in tangible capital assets	\$ 43,786	\$ 48,350
Reserve		
Future tangible capital asset acquisitions	13,974	8,836
Operating	3,000	3,000
Total reserves	16,974	11,836
Accumulated surplus, end of year	\$ 60,760	\$ 60,186

Certain amounts are set aside in accumulated surplus for future financial obligations and the purchase of tangible capital assets. As at March 31, 2025, \$5.1 million was applied to fund the tangible capital asset acquisitions reserve.

Future tangible capital asset acquisitions reserve: the purpose of this reserve is to help stabilize the financing requirements of large fluctuations in capital spending from one year to the next. Certain high value tangible capital assets such as property assessment software have long term economic usefulness. This reserve assists in the financing of these expenditures to limit the impact to revenue requirements in those years.

Operating reserve: the purpose of this reserve is to finance an unintended deficit. Unintended deficits would be caused largely by unexpected changes in revenues or costs for items that are outside of management’s control.

Notes to Financial Statements

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

7. Commitments

The Authority is committed to make payments under operating leases for premises and contracts for goods and services as follows:

Year(s)	Payment
2025/26	\$ 13,740
2026/27	8,168
2027/28	5,633
2028/29	3,780
2029/30	3,127
2030/31 - 2033/34	4,406
	\$ 38,854

8. Data Access Services Revenue

During the year, gross data access services sales totaled \$6.3 million (2023/24 - \$14.1 million). Discounts amounting to \$2.5 million (2023/24 - \$10.0 million) were provided, resulting in net sales of \$3.8 million (2023/24 - \$4.1 million). Revenue from multi-year data access service agreements is disclosed in **Note 11. Contractual Rights**.

9. Appeal Costs

Appeal costs include legal costs incurred by the Authority, as well as the operating costs of the Property Assessment Review Panel and the Property Assessment Appeal Board, both of which are operated independently by the Province of British Columbia. By legislation, the Authority is required to reimburse the Province for the Review Panel and Appeal Board costs, which totaled \$2.7 million as at March 31, 2025 (2023/24 - \$3.5 million).

10. Budget Data

The 2024/25 budget figures have been provided for comparison purposes and have been derived from the budget approved by the Board of Directors on February 27, 2024. The budget contained a deficit of \$1.3 million subject to Provincial Treasury Board Approval. On March 18, 2024, the Authority's tax levy bylaw rates were approved by Order in Council without the pre-approved deficit. As the deficit was not pre-approved by the Provincial Treasury Board, the budget presented in the statement of operations and accumulated surplus has offset the deficit as a decrease to employee expenses. The offsetting reduction in employee expenses was subsequently monitored and reallocated through the forecast and actuals.

Notes to Financial Statements

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

11. Contractual Rights

The Authority has entered into various revenue contracts for the provision of data access services in the normal course of operations. The estimated contractual rights at March 31, 2025, are as follows:

Year(s)	Amount
2025/26	\$ 1,659
2026/27	1,089
2027/28	414
2028/29	233
2029/30	7
	\$ 3,402

12. Related Party Transactions

The Authority is related through common ownership to all Province of British Columbia ministries, agencies, Crown corporations, and public sector organizations, including school districts, colleges, universities, and health authorities that are part of the provincial government reporting entity. In addition, transactions with senior management, directors, immediate family members of senior management and directors, and companies in which any of these individuals have a financial interest are also considered related party transactions.

These transactions occur in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed upon by the related parties.

During the year, the Authority provides data access services to related parties. Payment and collection terms with related parties require settlement within 30 days from the invoice date. The total discounts provided to related parties amounted to \$1.8 million (2023/24 – \$5.0 million), representing approximately 1% of the Authority's total revenue. The transactions are detailed in the table below.

Notes to Financial Statements

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

12. Related Party Transactions (continued)

The statement of financial position and the statement of operations and accumulated surplus include the following transactions with related parties of the Province of British Columbia:

	March 31 2025	March 31 2024
Revenues		
Data access services	\$ 1,072	\$ 1,208
Other income	96	2
Expenses		
Employee expenses	1,635	1,541
Information technology	785	813
Office premises	114	115
Corporate and office	322	326
Appeal costs	2,736	3,526
Travel	43	38
Assessment notice printing and postage	45	55
Assets/(Liabilities) at period end with related parties:		
Due from provincial government	38	8
Due to provincial government	(2,177)	(2,707)

The Authority contracts the disposal of surplus assets to the Province of British Columbia. Sale proceeds, net of disposal costs, totaled \$93 thousand as at March 31, 2025 (2023/24 - \$1 thousand).

13. Financial Risk Management

In the normal course of operations, the Authority is exposed to a variety of risks that can affect its operating performance. These risks arise from the use of financial instruments and include credit risk, market risk, and liquidity risk. Management, together with the Board of Directors, ensure that risks are identified, monitored, and appropriately managed. It is management's opinion that the Authority is not exposed to significant risks arising from its financial instruments.

Notes to Financial Statements

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2025

13. Financial Risk Management (continued)

a) Credit risk

Credit risk is the risk of financial loss to the Authority if a customer or counterparty fails to meet its contractual obligations. This risk primarily arises from assets consisting of cash, cash equivalents and accounts receivable.

The Authority's exposure to credit risk related to accounts receivable is mitigated, as the majority of receivables are current or collected subsequent to year-end. Therefore, management does not consider the accounts receivable balance to be impaired.

The Authority's cash and investments are held with Canadian chartered banks and the BC Investment Management Corporation, further mitigating credit risk. Consequently, the Authority is not considered to be exposed to significant credit risk.

b) 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:

(i) Currency risk

Currency risk arises from fluctuations in foreign exchange rates. The Authority's exposure to currency risk is not significant, as its foreign currency holdings and transactions are not material.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in the market interest rates. The Authority is exposed to interest rate risk through its short-term investments. However, this risk is mitigated as investments are primarily held in short-term treasury bills with maturities of no more than 91 days from the date of acquisition.

c) Liquidity risk

Liquidity risk is the risk that the Authority will not be able to meet its financial obligations as they become due. The Authority manages this risk by maintaining adequate levels of working capital to meet its obligations.

To support cash flow requirements, the Authority has a short-term financing agreement with the Government of British Columbia under its Fiscal Agency Loan Program. This agreement provides the Authority with a borrowing limit of \$45 million. In supplying funds, the Government of British Columbia uses reasonable efforts to meet the Authority's borrowing requirements at market rates; however, the interest rate is determined at the Government's sole discretion. Loans are unsecured, with maturity dates aligned to the collection of annual tax levy proceeds.