

Consolidated Interim Financial Statements
(Expressed in thousands of Canadian dollars)

**LAND TITLE AND SURVEY AUTHORITY
OF BRITISH COLUMBIA**

Three and nine months ended December 31, 2024 and 2023
(Unaudited)

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Consolidated Interim Statement of Financial Position (unaudited)

(Expressed in thousands of Canadian dollars)

	December 31, 2024	March 31, 2024
Assets		
Current assets:		
Cash and cash equivalents (note 6)	\$ 16,196	\$ 15,350
Investments (note 7)	81,156	75,996
Funds held for customers	4,862	4,823
Trade and other receivables	1,115	1,323
Prepaid expenses	1,476	1,212
	104,805	98,704
Property and equipment (note 8)	18,337	12,631
Intangible assets (note 9)	28,542	27,421
Long-term investments (note 7)	4,500	4,500
Goodwill	1,910	1,910
	53,289	46,462
	\$ 158,094	\$ 145,166
Liabilities and Equity		
Current liabilities:		
Trade and other payables	\$ 1,961	\$ 2,755
Customer deposits held	4,862	4,823
Provisions	737	487
Taxes payable	521	-
Employee benefits (note 10)	3,897	4,882
Contract liabilities (note 11)	2,045	1,861
Current lease liabilities (note 12)	1,555	2,064
	15,578	16,872
Deferred tax liabilities	602	801
Contract liabilities (note 11)	748	1,337
Lease liabilities (note 12)	14,990	7,965
	16,340	10,103
	31,918	26,975
Equity:		
Retained earnings	126,176	118,191
	\$ 158,094	\$ 145,166

See accompanying notes to the consolidated interim financial statements.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Consolidated Interim Statement of Comprehensive Income (unaudited)

(Expressed in thousands of Canadian dollars)

Three and nine months ended December 31, 2024, with comparative information for 2023

	Three Months		Nine Months	
	2024	2023	2024	2023
Revenue:				
Examination services	\$ 6,343	\$ 5,373	\$ 19,937	\$ 17,872
Information products and subscriptions	4,520	4,031	14,581	13,650
Service fees	3,102	2,195	10,026	7,034
	13,965	11,599	44,544	38,556
Cost of revenue (note 4):				
Cost of examination services	5,419	5,457	16,169	16,492
Cost of information products and subscriptions	1,336	1,345	3,986	4,065
Cost of service fees	1,671	884	5,196	2,671
	8,426	7,686	25,351	23,228
Gross income	5,539	3,913	19,193	15,328
Operating expenses (note 4):				
Research and development	1,800	1,442	5,478	3,916
Policy and regulation	1,197	1,139	3,887	3,469
General and administrative	2,281	2,122	6,701	6,452
	5,278	4,703	16,066	13,837
Operating income (loss)	261	(790)	3,127	1,491
Other income (expenses)				
Lease interest	(188)	(64)	(292)	(207)
Bank charges and investment fees	(70)	(64)	(208)	(202)
Investment income (note 5)	840	3,093	6,012	4,505
Gain (loss) on disposal of property and equipment	241	(15)	244	(15)
	823	2,950	5,756	4,081
Income before income taxes	1,084	2,160	8,883	5,572
Income tax expense (recovery):				
Current	236	87	1,097	672
Deferred	(3)	(1)	(199)	(11)
	233	86	898	661
Net income and comprehensive income	\$ 851	\$ 2,074	\$ 7,985	\$ 4,911

See accompanying notes to the consolidated interim financial statements.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Consolidated Interim Statement of Changes in Equity (unaudited)
(Expressed in thousands of Canadian dollars)

Nine months ended December 31, 2024, with comparative information for 2023

	Unappropriated retained earnings	Assurance Fund reserve	Total retained earnings
Balance, April 1, 2023	\$ 107,006	\$ 6,000	\$ 113,006
Net income and comprehensive income	4,911	-	4,911
Balance, December 31, 2023	\$ 111,917	\$ 6,000	\$ 117,917
Balance, April 1, 2024	\$ 112,191	\$ 6,000	\$ 118,191
Net income and comprehensive income	7,985	-	7,985
Balance, December 31, 2024	\$ 120,176	\$ 6,000	\$ 126,176

See accompanying notes to the consolidated interim financial statements.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Consolidated Interim Statement of Cash Flows (unaudited)
(Expressed in thousands of Canadian dollars)

Three and nine months ended December 31, 2024, with comparative information for 2023

	Three Months		Nine Months	
	2024	2023	2024	2023
Cash flow from operating activities:				
Cash received for:				
Fees	\$ 13,723	\$ 11,352	\$ 44,073	\$ 38,441
Fees collected on behalf of the Province of BC	8,559	7,867	27,219	26,952
Fees collected on behalf of other parties	4,698	3,300	14,961	11,082
Interest	249	279	800	786
	27,229	22,798	87,053	77,261
Cash paid for:				
Salaries and benefits	(6,466)	(5,262)	(21,135)	(19,345)
Goods and services	(4,645)	(2,799)	(12,683)	(10,225)
Sales and income taxes	355	(596)	(918)	(1,741)
Fees submitted to the Province of BC	(8,666)	(8,008)	(27,366)	(27,061)
Fees submitted to other parties	(4,765)	(3,327)	(14,999)	(11,102)
	(24,187)	(19,992)	(77,101)	(69,474)
Total cash flow from operating activities	3,042	2,806	9,952	7,787
Cash flow from financing activities:				
Repayment of finance lease obligations	(404)	(533)	(1,463)	(1,578)
Lease interest	(188)	(64)	(292)	(207)
	(592)	(597)	(1,755)	(1,785)
Cash flow from investing activities:				
Purchase of investments	(12,520)	(27,247)	(20,490)	(55,235)
Proceeds from sale or maturity of investments	10,195	26,421	17,897	53,520
Purchase of long-term investment	-	(1,500)	-	(1,500)
Interest and dividend proceeds	1,995	1,122	2,826	1,933
Purchase of property and equipment, net	(72)	(68)	(299)	(146)
Purchase of intangible assets	(2,229)	(3,014)	(7,285)	(7,987)
	(2,631)	(4,286)	(7,351)	(9,415)
Net increase (decrease) in cash and cash equivalents	(181)	(2,077)	846	(3,413)
Cash and cash equivalents, beginning of period	16,377	16,759	15,350	18,095
Cash and cash equivalents, end of period	\$ 16,196	\$ 14,682	\$ 16,196	\$ 14,682

See accompanying notes to the consolidated interim financial statements.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Consolidated Interim Financial Statements

(Tabular amounts expressed in thousands of Canadian dollars, unless otherwise indicated)

Three and nine months ended December 31, 2024, with comparative information for 2023

1. Nature of operations:

The Land Title and Survey Authority of British Columbia (the "LTSA") is an independent, not-for-profit corporation without share capital. It is established under the *Land Title and Survey Authority Act* and has responsibility for managing, operating and maintaining British Columbia's land title and land survey systems. Our corporate head office is located at Suite 200, 1321 Blanshard Street, Victoria, British Columbia. The LTSA's primary customers are legal professionals, land surveyors, certain statutory officers and other professionals who act on behalf of those who have an interest in conducting land-related transactions. Other stakeholders include all levels of government and First Nations, real estate professionals, financial institutions, historians, registry agents and other organizations, and the general public.

The LTSA operates independently from the provincial government, but must meet obligations and targets that the provincial government has established for it both in legislation and in a written Operating Agreement. The Operating Agreement has a term of 60 years, with the provision to renegotiate the revenue arrangement between the province and the LTSA every 10 years. The last operating review was performed in 2015.

2. Basis of presentation and statement of compliance:

These interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). They include the assets, liabilities, revenues and expenses of the LTSA and its wholly owned subsidiaries LandSure Systems Limited ("LandSure") and Autoprop Software Limited ("Autoprop"). All significant intercompany balances and transactions have been eliminated on consolidation.

These interim consolidated financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the LTSA's consolidated financial statements for the year ended March 31, 2024 which are included in the LTSA's 2024 financial report. The consolidated interim financial statements were authorized for issue on February 25, 2025 by the LTSA's Board of Directors.

3. Summary of significant accounting policies:

The significant accounting policies that have been applied, on a consistent basis, in the preparation of these interim consolidated financial statements are included in the LTSA's audited consolidated financial statements for the year ended March 31, 2024. Those accounting policies have been used throughout all periods presented in the interim consolidated financial statements and are prepared in accordance with IFRS.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Consolidated Interim Financial Statements

(Tabular amounts expressed in thousands of Canadian dollars, unless otherwise indicated)

Three and nine months ended December 31, 2024, with comparative information for 2023

4. Expenses:

	Three Months		Nine Months	
	2024	2023	2024	2023
Expenses by nature:				
Salaries and benefits	\$ 6,762	\$ 6,392	\$ 20,146	\$ 19,150
Information services	1,886	1,382	5,515	4,617
Office and business expenses	845	768	2,656	2,229
Building occupancy	406	412	1,170	1,206
Professional fees	1,341	1,223	4,404	3,289
Amortization of assets	2,464	2,212	7,526	6,574
	\$ 13,704	\$ 12,389	\$ 41,417	\$ 37,065
Expenses per Statement of Comprehensive Income:				
Cost of revenue	\$ 8,426	\$ 7,686	\$ 25,351	\$ 23,228
Operating expenses	5,278	4,703	16,066	13,837
	\$ 13,704	\$ 12,389	\$ 41,417	\$ 37,065

5. Investment income:

	Three Months		Nine Months	
	2024	2023	2024	2023
Interest and dividend income	\$ 2,236	\$ 1,399	\$ 3,617	\$ 2,737
Change in fair value of investments	(2,172)	1,591	1,518	1,669
Gain on disposal of investments	776	103	877	99
	\$ 840	\$ 3,093	\$ 6,012	\$ 4,505

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Consolidated Interim Financial Statements

(Tabular amounts expressed in thousands of Canadian dollars, unless otherwise indicated)

Three and nine months ended December 31, 2024, with comparative information for 2023

6. Cash and cash equivalents:

	December 31, 2024	March 31, 2024
Cash in bank and on hand	\$ 16,196	\$ 15,176
Cash equivalents	-	174
	\$ 16,196	\$ 15,350

Included in cash in bank and on hand are fees payable to the Province of British Columbia of \$65 (March 31, 2024: \$211) and other fees payable of \$26 (March 31, 2024: \$64).

Under the terms of the Operating Agreement with the Province of British Columbia, the province's share of fees are collected on behalf of the province and must be remitted within one business day of collection. These amounts payable to the province are included in trade and other payables.

7. Financial Risk Management:

Fair value of financial instruments:

Fair value determination is classified within a three-level hierarchy, based on observability of significant inputs to the measurement, as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Consolidated Interim Financial Statements

(Tabular amounts expressed in thousands of Canadian dollars, unless otherwise indicated)

Three and nine months ended December 31, 2024, with comparative information for 2023

7. Financial Risk Management (continued):

The following tables present the financial instruments recorded at fair value in the consolidated statements of financial position classified using the fair value hierarchy described above:

Financial assets	Level 1	Level 2	Level 3	December 31, 2024
Investments:				
Pooled equity funds	\$ 24,123	\$ -	\$ -	\$ 24,123
Bonds	-	57,033	-	57,033
Long-Term Investments	-	4,500	-	4,500
	\$ 24,123	\$ 61,533	\$ -	\$ 85,656

Financial assets	Level 1	Level 2	Level 3	March 31, 2024
Investments:				
Pooled equity funds	\$ 24,264	\$ -	\$ -	\$ 24,264
Bonds	-	51,732	-	51,732
Long-Term Investment	-	4,500	-	4,500
	\$ 24,264	\$ 56,232	\$ -	\$ 80,496

During the quarter, no transfers occurred between levels.

Pooled equity funds are traded on an over-the-counter market and are valued at their closing bid price on the valuation date. Where a bid price is not available, they are valued at the closing sale price on the valuation date. Short-term notes and bonds which have quoted prices available but are not traded in an active market have been classified as Level 2 in the fair value hierarchy.

The long-term investments are comprised of an equity investment in a real estate venture builder partnership, as well as an equity investment in a building and development software company by LandSure. The investments have been classified as Level 2 investments in the fair value hierarchy using recent observable market transactions for the same securities. LandSure intends to hold these investments for an indeterminate period.

Due to their short-term nature, the carrying amount of the following financial assets and liabilities is considered a reasonable approximation of fair value: cash and cash equivalents, funds held for customers, trade and other receivables, trade and other payables and other liabilities and provisions. These financial assets and liabilities are measured at amortized cost in the consolidated interim financial statements.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Consolidated Interim Financial Statements

(Tabular amounts expressed in thousands of Canadian dollars, unless otherwise indicated)

Three and nine months ended December 31, 2024, with comparative information for 2023

8. Property and equipment:

	Vault storage systems	Technical equipment	Office furniture and equipment	Leasehold improvements	Right of use assets	Total
Cost:						
Balance, April 1, 2023	\$ 1,223	\$ 3,359	\$ 2,825	\$ 9,451	\$ 13,859	\$ 30,717
Additions	-	150	4	-	3,385	3,539
Disposals	-	(127)	(40)	(351)	(308)	(826)
Balance, Dec 31, 2023	\$ 1,223	\$ 3,382	\$ 2,789	\$ 9,100	\$ 16,936	\$ 33,430
Balance, April 1, 2024	\$ 1,240	\$ 3,505	\$ 2,728	\$ 9,104	\$ 17,273	\$ 33,850
Additions	7	242	43	13	8,220	8,525
Disposals	-	(113)	-	-	(514)	(627)
Balance, Dec 31, 2024	\$ 1,247	\$ 3,634	\$ 2,771	\$ 9,117	\$ 24,979	\$ 41,748
Amortization:						
Balance, April 1, 2023	\$ (728)	\$ (2,502)	\$ (1,968)	\$ (5,817)	\$ (7,323)	\$ (18,338)
Amortization	(83)	(314)	(176)	(831)	(1,390)	(2,794)
Disposals	-	122	36	327	265	750
Balance, Dec 31, 2023	\$ (811)	\$ (2,694)	\$ (2,108)	\$ (6,321)	\$ (8,448)	\$ (20,382)
Balance, April 1, 2024	\$ (829)	\$ (2,782)	\$ (2,126)	\$ (6,589)	\$ (8,893)	\$ (21,219)
Amortization	(84)	(363)	(151)	(535)	(1,266)	(2,399)
Disposals	-	207	-	-	-	207
Balance, Dec 31, 2024	\$ (913)	\$ (2,938)	\$ (2,277)	\$ (7,124)	\$ (10,159)	\$ (23,411)
Net book value:						
December 31, 2023	\$ 412	\$ 688	\$ 681	\$ 2,779	\$ 8,488	\$ 13,048
December 31, 2024	\$ 334	\$ 696	\$ 494	\$ 1,993	\$ 14,820	\$ 18,337

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Consolidated Interim Financial Statements

(Tabular amounts expressed in thousands of Canadian dollars, unless otherwise indicated)

Three and nine months ended December 31, 2024, with comparative information for 2023

9. Intangible assets:

	Software systems	Software systems under development	Cadastral fabric	Total
Cost:				
Balance, April 1, 2023	\$ 65,741	\$ 1,657	\$ 10,554	\$ 77,952
Additions	8	8,407	-	8,415
Transfers	3,106	(3,106)	-	-
Disposals	(14)	-	-	(14)
Balance, Dec 31, 2023	\$ 68,841	\$ 6,958	\$ 10,554	\$ 86,353
Balance, April 1, 2024	\$ 71,473	\$ 7,206	\$ 10,554	\$ 89,233
Additions	919	5,424	-	6,343
Transfers	8,166	(8,166)	-	-
Balance, Dec 31, 2024	\$ 80,558	\$ 4,464	\$ 10,554	\$ 95,576
Amortization:				
Balance, April 1, 2023	\$ (51,790)	\$ -	\$ (4,560)	\$ (56,350)
Amortization	(3,255)	-	(525)	(3,780)
Disposals	14	-	-	14
Balance, Dec 31, 2023	\$ (55,031)	\$ -	\$ (5,085)	\$ (60,116)
Balance, April 1, 2024	\$ (56,552)	\$ -	\$ (5,260)	\$ (61,812)
Amortization	(4,697)	-	(525)	(5,222)
Balance, Dec 31, 2024	\$ (61,249)	\$ -	\$ (5,785)	\$ (67,034)
Net book value:				
December 31, 2023	\$ 13,810	\$ 6,958	\$ 5,469	\$ 26,237
December 31, 2024	\$ 19,309	\$ 4,464	\$ 4,769	\$ 28,542

Intangible asset additions are internally generated and include payments to third party software developers. Software systems under development are primarily costs to align survey plan submission, develop the LTSA's underlying platform services technology, and build back office solutions to increase automation and reduce processing defects.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Consolidated Interim Financial Statements

(Tabular amounts expressed in thousands of Canadian dollars, unless otherwise indicated)

Three and nine months ended December 31, 2024, with comparative information for 2023

10. Employee benefits:

The following amounts represent the LTSA's obligations to its current and former employees that are expected to be settled during the next twelve months:

	December 31, 2024	March 31, 2024
Salaries payable	\$ 2,518	\$ 3,788
Employee leave liability	1,213	978
Superannuation and group RRSP benefits	166	116
	\$ 3,897	\$ 4,882

Public service pension plan:

The LTSA paid \$268 and \$814 for employer contributions to the plan during the three and nine months ended December 31, 2024 which represents 0.1% of the total plan contributions (2023: \$270 and \$815).

Retirement benefit:

LandSure contributed up to 6.0% of employees' base salaries to group registered retirement savings plans. The amount recognized as an expense for the three and nine months ended December 31, 2024 was \$147 and \$439 (2023: \$137 and \$410).

11. Contract Liabilities:

Contract liabilities represents cash received from customers in excess of revenue recognized on incomplete contracts, more specifically relating to subscription contracts, software as a service fees for property tax deferral, as well as unprocessed examination services at period end. Examination services processing times are outlined in the LTSA's Operating Agreement performance targets. The majority of contract liabilities are expected to be realized within a period of 12 months.

	2024	2023
Balance, April 1	\$ 3,198	\$ 1,048
Additions to contract liabilities	1,152	970
Revenue recognized during the periods	(1,557)	(963)
Balance, December 31	\$ 2,793	\$ 1,055
Amount due for settlements within 12 months	\$ 2,045	\$ 1,055
Amount due for settlements after 12 months	748	-
Total	\$ 2,793	\$ 1,055

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Consolidated Interim Financial Statements

(Tabular amounts expressed in thousands of Canadian dollars, unless otherwise indicated)

Three and nine months ended December 31, 2024, with comparative information for 2023

12. Lease Liabilities:

The LTSA incurs lease payments for certain assets under lease agreements consisting primarily of office buildings and office equipment.

The leases have interest rates ranging from 3.10% to 4.69% per annum and expire between December 2031 and September 2035.

	2024	2023
Balance, April 1	\$ 10,029	\$ 8,154
Additions	7,980	3,685
Payments	(1,756)	(1,785)
Derecognition	-	(50)
Interest	292	207
Balance, December 31	\$ 16,545	\$ 10,211
Amount due for settlements within 12 months	\$ 1,555	\$ 2,065
Amount due for settlements after 12 months	14,990	8,146
Total	\$ 16,545	\$ 10,211

The LTSA made payments of \$592 (2023: \$597) and derecognized lease liability of \$0 (2023: \$50). Interest was \$188 (2023: \$64) during the three months.

13. Related party transactions:

Province of British Columbia:

The Province of British Columbia provincial ministries, central agencies and certain other organizations are exempt from the payment of LTSA fees. During the three and nine months ended December 31, 2024, the LTSA provided services to these organizations which, if assessed fees at the usual rates applicable to other entities, would have resulted in additional revenues of \$4,231 and \$18,503 respectively (2023: \$4,834 and \$17,254).

Products and services acquired from the province for the three and nine months ended December 31, 2024 totaled \$81 and \$203 (2023: \$67 and \$190).

Real property taxation authorities:

Various real property taxation authorities are entitled to use the land title system free of charge for the administration of the taxation of real property. During the three and nine months ended December 31, 2024, the LTSA provided services to these authorities which, if assessed fees at the usual rates applicable to other entities, would have resulted in additional revenues of \$218 and \$782 respectively (2023: \$197 and \$687).