

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

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

Three months ended June 30, 2025 and 2024
(Unaudited)

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Consolidated Interim Statement of Financial Position (unaudited)
(Expressed in thousands of Canadian dollars)

	June 30, 2025	March 31, 2025
Assets		
Current assets:		
Cash and cash equivalents (note 6)	\$ 15,845	\$ 17,022
Investments (note 7)	84,461	82,617
Funds held for customers	4,870	4,743
Trade and other receivables	1,368	1,031
Prepaid expenses	1,495	1,703
	108,039	107,116
Property and equipment (note 8)	17,938	17,991
Intangible assets (note 9)	29,080	28,851
Long-term investments (note 7)	3,514	3,164
Goodwill	1,910	1,910
	52,442	51,916
	\$ 160,481	\$ 159,032
Liabilities and Equity		
Current liabilities:		
Trade and other payables	\$ 2,797	\$ 3,026
Customer deposits held	4,870	4,743
Provisions	766	766
Employee benefits (note 10)	4,295	5,279
Contract liabilities (note 11)	2,212	1,976
Current lease liabilities (note 12)	1,373	1,465
	16,313	17,255
Deferred tax liabilities	193	250
Contract liabilities (note 11)	282	544
Lease liabilities (note 12)	14,351	14,672
	14,826	15,466
	31,139	32,721
Equity:		
Retained earnings	129,342	126,311
	\$ 160,481	\$ 159,032

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 months ended June 30, 2025, with comparative information for 2024

	2025	2024
Revenue:		
Examination services	\$ 7,184	\$ 6,730
Information products and subscriptions	5,382	5,158
Service fees	3,718	3,525
	16,284	15,413
Cost of revenue (note 4):		
Cost of examination services	5,225	5,432
Cost of information products and subscriptions	1,288	1,339
Cost of service fees	2,640	1,801
	9,153	8,572
Gross income	7,131	6,841
Operating expenses (note 4):		
Research and development	2,036	1,772
Policy and regulation	1,395	1,545
General and administrative	2,214	2,298
	5,645	5,615
Operating income	1,486	1,226
Other income (expenses):		
Lease interest	(179)	(55)
Bank charges and investment fees	(70)	(68)
Investment income (note 5)	2,004	836
	1,755	713
Income before income taxes	3,241	1,939
Income tax expense (recovery):		
Current	267	423
Deferred	(57)	(70)
	210	353
Net income and comprehensive income	\$ 3,031	\$ 1,586

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)

Three months ended June 30, 2025, with comparative information for 2024

	Unappropriated retained earnings	Assurance Fund reserve	Total retained earnings
Balance, April 1, 2024	\$ 112,192	\$ 6,000	\$ 118,192
Net income and comprehensive income	1,586	-	1,586
Balance, June 30, 2024	\$ 113,778	\$ 6,000	\$ 119,778
Balance, April 1, 2025	\$ 120,311	6,000	126,311
Net income and comprehensive income	3,031	-	3,031
Balance, June 30, 2025	\$ 123,342	\$ 6,000	\$ 129,342

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 months ended June 30, 2025, with comparative information for 2024

	2025	2024
Cash flow from operating activities:		
Cash received for:		
Fees	\$ 15,867	\$ 15,519
Fees collected on behalf of the Province of BC	9,817	9,511
Fees collected on behalf of other parties	5,202	4,910
Interest	188	277
	31,074	30,217
Cash paid for:		
Salaries and benefits	(8,036)	(7,645)
Goods and services	(4,181)	(3,606)
Sales and income taxes	(1,002)	(686)
Fees submitted to the Province of BC	(9,828)	(9,537)
Fees submitted to other parties	(5,197)	(4,906)
	(28,244)	(26,380)
Total cash flow from operating activities	2,830	3,837
Cash flow from financing activities:		
Repayment of finance lease obligations	(413)	(524)
Lease interest	(179)	(55)
	(592)	(579)
Cash flow from investing activities:		
Purchase of investments	(5,688)	(7,263)
Proceeds from sale or maturity of investments	4,460	6,889
Interest and dividends received	854	340
Purchase of property and equipment, net	(734)	(111)
Purchase of intangible assets	(2,307)	(2,161)
	(3,415)	(2,306)
Net increase (decrease) in cash and cash equivalents	(1,177)	952
Cash and cash equivalents, beginning of period	17,022	15,350
Cash and cash equivalents, end of period	\$ 15,845	\$ 16,302

See accompanying notes to the consolidated interim financial statements.

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Notes to Consolidated Interim Financial Statements

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

Three months ended June 30, 2025, with comparative information for 2024

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 beginning in 2005, 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 IFRS Accounting Standards ("IFRS"). 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, 2025 which are included in the LTSA's 2025 financial report. The consolidated interim financial statements were authorized for issue on September 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, 2025. Those accounting policies have been used throughout all periods presented in the interim consolidated financial statements and are prepared in accordance with IFRS.

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Notes to Consolidated Interim Financial Statements

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

Three months ended June 30, 2025, with comparative information for 2024

4. Expenses:

	2025	2024
Expenses by nature:		
Salaries and benefits	\$ 7,046	\$ 7,010
Information services	2,039	1,752
Office and business expenses	1,024	1,128
Building occupancy	392	359
Professional fees	1,796	1,429
Amortization of assets	2,501	2,509
	\$ 14,798	\$ 14,187
Expenses, per Statement of Comprehensive Income:		
Cost of revenue	\$ 9,153	\$ 8,572
Operating expenses	5,645	5,615
	\$ 14,798	\$ 14,187

5. Investment income:

	2025	2024
Interest and dividend income	\$ 1,038	\$ 626
Change in fair value of investments	916	112
Gain on disposal of investments	50	98
	\$ 2,004	\$ 836

6. Cash and cash equivalents:

	June 30, 2025	March 31, 2025
Cash in bank and on hand	\$ 15,845	\$ 17,022
Cash equivalents	-	-
	\$ 15,845	\$ 17,022

Included in cash in bank and on hand are fees payable to the Province of British Columbia of \$194 (March 31, 2025: \$204) and other fees payable of \$78 (March 31, 2025: \$73).

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.

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Notes to Consolidated Interim Financial Statements

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Three months ended June 30, 2025, with comparative information for 2024

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.

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		June 30, 2025
Investments:								
Pooled equity funds	\$	25,806	\$	-	\$	-	\$	25,806
Bonds		-		58,655		-		58,655
Long-term investments		-		3,514		-		3,514
	\$	25,806	\$	62,169	\$	-	\$	87,975

Financial assets		Level 1		Level 2		Level 3		March 31, 2025
Investments:								
Pooled equity funds	\$	24,073	\$	-	\$	-	\$	24,073
Bonds		-		58,544		-		58,544
Long-term investments		-		3,164		-		3,164
	\$	24,073	\$	61,708	\$	-	\$	85,781

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. The investment in the real estate venture builder is valued using recent observable market transactions for the same securities and the investment in the building and development software company is valued using the fair value of the net assets. 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.

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Notes to Consolidated Interim Financial Statements

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

Three months ended June 30, 2025, with comparative information for 2024

8. Property and equipment:

	Vault storage systems	Technical equipment	Office furniture and equipment	Leasehold improvements	Right of use assets	Total
Cost:						
Balance, April 1, 2024	\$ 1,240	\$ 3,505	\$ 2,728	\$ 9,104	\$ 17,273	\$ 33,850
Additions	7	92	-	13	-	112
Disposals	-	(2)	-	-	-	(2)
Balance, June 30, 2024	\$ 1,247	\$ 3,595	\$ 2,728	\$ 9,117	\$ 17,273	\$ 33,960
Balance, April 1, 2025	\$ 1,248	\$ 3,700	\$ 2,700	\$ 9,392	\$ 24,979	\$ 42,019
Additions	-	116	-	515	-	631
Disposals	-	(7)	-	-	-	(7)
Balance, June 30, 2025	\$ 1,248	\$ 3,809	\$ 2,700	\$ 9,907	\$ 24,979	\$ 42,643
Amortization:						
Balance, April 1, 2024	\$ (829)	\$ (2,782)	\$ (2,126)	\$ (6,589)	\$ (8,893)	\$ (21,219)
Amortization	(28)	(94)	(52)	(257)	(445)	(876)
Disposals	-	2	-	-	-	2
Balance, June 30, 2024	\$ (857)	\$ (2,874)	\$ (2,178)	\$ (6,846)	\$ (9,338)	\$ (22,093)
Balance, April 1, 2025	\$ (941)	\$ (3,020)	\$ (2,275)	\$ (7,263)	\$ (10,529)	\$ (24,028)
Amortization	(28)	(95)	(45)	(145)	(371)	(684)
Disposals	-	7	-	-	-	7
Balance, June 30, 2025	\$ (969)	\$ (3,108)	\$ (2,320)	\$ (7,408)	\$ (10,900)	\$ (24,705)
Net book value:						
June 30, 2024	\$ 390	\$ 721	\$ 550	\$ 2,271	\$ 7,935	\$ 11,867
June 30, 2025	\$ 279	\$ 701	\$ 380	\$ 2,499	\$ 14,079	\$ 17,938

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Three months ended June 30, 2025, with comparative information for 2024

9. Intangible assets:

	Software systems	Software systems under development	Cadastral fabric	Total
Cost:				
Balance, April 1, 2024	\$ 71,473	\$ 7,206	\$ 10,554	\$ 89,233
Additions	-	2,080	-	2,080
Transfers	6,510	(6,510)	-	-
Balance, June 30, 2024	\$ 77,983	\$ 2,776	\$ 10,554	\$ 91,313
Balance, April 1, 2025	\$ 82,257	\$ 4,822	\$ 10,554	\$ 97,633
Additions	-	2,047	-	2,047
Transfers	746	(746)	-	-
Balance, June 30, 2025	\$ 83,003	\$ 6,123	\$ 10,554	\$ 99,680
Amortization:				
Balance, April 1, 2024	\$ (56,552)	\$ -	\$ (5,260)	\$ (61,812)
Amortization	(1,457)	-	(175)	(1,632)
Balance, June 30, 2024	\$ (58,009)	\$ -	\$ (5,435)	\$ (63,444)
Balance, April 1, 2025	\$ (62,822)	\$ -	\$ (5,960)	\$ (68,782)
Amortization	(1,643)	-	(175)	(1,818)
Balance, June 30, 2025	\$ (64,465)	\$ -	\$ (6,135)	\$ (70,600)
Net book value:				
June 30, 2024	\$ 19,974	\$ 2,776	\$ 5,119	\$ 27,869
June 30, 2025	\$ 18,538	\$ 6,123	\$ 4,419	\$ 29,080

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.

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Three months ended June 30, 2025, with comparative information for 2024

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:

	June 30, 2025	March 31, 2025
Salaries payable	\$ 2,689	\$ 3,738
Employee leave liability	1,436	1,421
Superannuation and group RRSP benefits	170	120
	\$ 4,295	\$ 5,279

Public service pension plan:

The LTSA paid \$268 (2024: \$274) for employer contributions to the plan during the quarter which represents 0.1% of the total plan contributions.

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 quarter ended June 30, 2025 was \$155 (2024: \$143).

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 and for the First Nations Land Governance Registry, 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.

	2025	2024
Balance, April 1	\$ 2,520	\$ 3,198
Additions to contract liabilities	1,080	1,125
Revenue recognized during the period	(1,106)	(1,001)
Balance, June 30	\$ 2,494	\$ 3,322
Amount due for settlements within 12 months	\$ 2,212	\$ 2,177
Amount due for settlements after 12 months	282	1,145
Total	\$ 2,494	\$ 3,322

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

Three months ended June 30, 2025, with comparative information for 2024

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.

	2025	2024
Balance, April 1	\$ 16,137	\$ 10,029
Payments	(592)	(579)
Interest	179	55
Balance, June 30	\$ 15,724	\$ 9,505
Amount due for settlements within 12 months	\$ 1,373	\$ 2,051
Amount due for settlements after 12 months	14,351	7,454
Total	\$ 15,724	\$ 9,505

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 quarter ended June 30, 2025, 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 \$6,316 (2024: \$6,332).

Products and services acquired from the province for the quarter ended June 30, 2025 totaled \$121 (2024: \$76).

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 quarter ended June 30, 2025, 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 \$244 (2024: \$268).