BC Assessment

2025/26
Annual Service Plan Report

August 2026

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Published by BC Assessment

Board Chair's Accountability Statement

The BC Assessment 2025/26 Annual Service Plan Report compares the organization's actual results to the expected results identified in the 2025/26 – 2027/28 Service Plan published in 2025. The Board is accountable for those results as reported.

Signed on behalf of the Board by:

Gina Pala
Board Chair, BC Assessment
July 28, 2026

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Letter from the Board Chair & CEO

We are pleased to present BC Assessment's Annual Service Plan Report, highlighting our accomplishments over the past fiscal year ending March 31, 2026.

BC Assessment made significant progress against the goals and objectives within our 2025/26-2027/28 Service Plan. In alignment with provincial government priorities, we continued to maintain our relationships and service delivery while working to modernize systems and processes for sustained performance, ongoing security and adaptation to future needs.

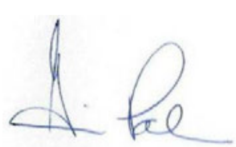
Fiscal responsibility has always been a priority, and BC Assessment continued to manage resources carefully while collaborating with partners to achieve key objectives. Investment in appraisal accreditation and professional development remained a strategic focus, along with succession planning and employee wellness. In accordance with the *Accessible BC Act*, our 2024/25-2026/27 Accessibility Plan is being implemented to advance accessibility across all areas of our organization.

The appeal rate on the updated 2026 Property Assessments continues to be very low with nearly 99 percent of assessments accepted without appeal, demonstrating a strong level of public trust in the fairness and quality of our assessments in a year marked by uneven real estate market conditions.

BC Assessment continues to partner with Indigenous communities by providing assessment services that establish a stable tax base to support their communities. The taxing authority service standards were refreshed in 2025/26, and we remain responsive to the needs and priorities of Indigenous and local government partners.

These achievements would not have been possible without the hard work and commitment of our stakeholders and employees, and we sincerely appreciate their contributions.

BC Assessment is committed to transparency, accountability, and continuous improvement as we navigate challenges and embrace opportunities. We invite you to explore this report which provides an overview of our recent accomplishments.



Gina Pala
Chair, Board of Directors
July 28, 2026

Jason Grant
President and Chief Executive Officer
July 28, 2026

Purpose of the Annual Service Plan Report

This annual service plan report has been developed to meet the requirements of the *Budget Transparency and Accountability Act (BTAA)*, which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, a Minister Responsible for a government organization is required to make public a report on the actual results of that organization's performance related to the forecasted targets stated in the service plan for the reported year.

Strategic Direction

The strategic direction set by Government in 2024 and the Board Chair's Mandate Letter from the Minister Responsible shaped the goals, objectives, performance measures and financial plan outlined in the BC Assessment 2025/26 – 2027/28 Service Plan and the actual results reported on in this annual report.

Purpose of the Organization

BC Assessment is a provincial Crown corporation with the legislated mandate to establish and maintain property assessments that are uniform in the whole of British Columbia, in accordance with the *Assessment Act*.

BC Assessment provides assessment services to 161 municipalities, 27 regional districts, 93 Indigenous communities who choose independent taxation, and 9 Modern Treaty Nations who choose to exercise property taxation on their Treaty Land or Nisga'a Lands. These property assessments are used to generate over $12B in general property tax revenue for local governments to sustain the community services, transportation and utility infrastructure, schools, police and fire services, parks, recreational and cultural services providing broad public benefits to British Columbians.

BC Assessment tracks property information in British Columbia, including assessment, inventory, permits, and sales data. Each year, updated property data is collected and reflected in property assessments, including new construction, renovations, property classification changes and eligibility for an exemption.

Every December, BC Assessment finalizes the Completed Assessment Roll and prepares individual Assessment Notices for all B.C. property owners, based on market values effective July 1 of that year. After Assessment Notices are delivered in January, any changes from inquiries or appeals are included in the Revised Assessment Roll published each April. Local governments and other taxing authorities use the Revised Roll to set the tax rates and generate revenues for key services.

While BC Assessment has no direct role in property taxation, it plays an integral and impartial role in the provincial property taxation system by producing an accurate and uniform assessment roll each year for over two million properties in the province.

Report on Performance: Goals, Objectives, and Results

The following goals, objectives and performance measures have been restated from the 2025/26 – 2027/28 Service Plan. For forward-looking planning information, including current and future performance targets, please see the [latest service plan.]

Goal 1: Produce high quality and accurate assessments

Objective 1.1: Produce accurate and uniform assessments

BC Assessment continually enhances and improves its core business practices to ensure assessments are accurate and uniform.

Key results

- Improved assessment accuracy and uniformity through enhanced data collection and data validation processes
- Identified and implemented new technologies and measures to support optimal use of resources and to guide evolving assessment practices and appraisal strategies

Summary of progress made in 2025/26

Significant progress was made to modernize and upgrade core systems, enabling productivity through enhanced tools and capabilities. Focused on functionality and strengthening expertise areas, BC Assessment worked to reduce manual effort and improve organizational workflows through advancing automation and system integration.

Artificial Intelligence (AI) and machine learning were applied to improve consistency, accuracy and efficiency in both valuation and inquiry response. A BC Assessment internal AI Center of Excellence and AI Community of Practice were established in 2025/26 to explore further opportunities and responsibly assess emerging AI capabilities.

BC Assessment's ability to collect data for internal use was improved by implementing an Application Programming Interface (API) Gateway that integrates public-facing forms with internal systems. An all-time high of 500,000 roll quality audits conducted in 2025/26 prevented avoidable errors and reduced escalated complaints to almost zero, while increasing the rate of assessments accepted without appeal.

BC Assessment met all internationally recognized standards for assessment roll quality with the 2026 Assessment Roll and expanded its role in industry networks in 2025/26 to collaborate on inter-provincial and evolving appraisal standards, models and technologies.

Objective 1.2: Deliver reliable and accepted assessment rolls

BC Assessment leverages advanced statistical analytics and appraisal modelling, using its computer assisted mass appraisal system, AssessBC, and appraisal expertise to deliver reliable and accepted assessment rolls that provide stability for taxing authority budgets.

Key results

- Delivered improved AssessBC system performance through resolved defects, faster processing and more robust data validation
- Modified key systems and processes to reflect and support legislative changes
- Enhanced public access to property information with new website features
- Migrated core services to cloud-based infrastructure
- Increased support for appraisal accreditation and specialized knowledge to strengthen organizational expertise on assessment processes and practices

Summary of progress made in 2025/26

Ongoing support for AssessBC included training users and support staff and improving processes, dashboards, and system stability. Enhancements were delivered in 2025/26 to improve process efficiency, data accuracy and quality assurance gains through targeted configuration changes and operational improvements. BC Assessment data systems and reports were modified to address recent legislation, introduce greater flexibility in reporting, and improve information access for taxing authorities.

Transitioning from on-premise software tools to cloud based solutions, such as Microsoft 365, has provided BC Assessment greater flexibility, enhanced functionality and improved security. Identity Services are now managed internally by BC Assessment providing better visibilty and stronger threat detection capabilities. Employees also benefit from a more consistent sign-in experience across systems.

Modernizing tools and streamlining processes allow BC Assessment employees to work efficiently and with greater confidence in the quality and accuracy of their work.

The BC Assessment website was enhanced to deliver more public access property information through the Assessment Search function including a location map, neighbouring properties comparison, and an improved sample sold property comparison. The enhanced access to additional property information reflects what customers value most and allows BC Assessment to deliver greater depth of property information than ever before.

Continued work to support accreditation and skills development for employees includes accelerated development programs for appraisal and centrally coordinated funding to supplement specialist expertise.

Performance measure(s) and related discussion

Performance Measure[1]	2024/25 Actual	2025/26 Target	2025/26 Actual[2]
1.1 a) Assessment to Sales Ratio			
-Residential	97.50%	97 – 100%	97.50%
-Strata Residential	97.60%	97 – 100%	98.20%
-Non-residential	96.20%	95 – 100%	96.20%
1.1 b) Coefficient of Dispersion			
- Residential Urban	8.40%	5.0 – 10.0%	7.50%
- Strata Residential Urban	5.20%	5.0 – 10.0%	5.10%
- Residential Rural	14.00%	5.0 – 15.0%	12.10%
- Strata Residential Rural	8.90%	5.0 – 15.0%	5.20%
- Non-residential	12.00%	5.0 – 15.0%	9.70%
1.1 c) Price Related Bias			
- Residential	-0.70%	-5.0 – 5.0%	-0.80%
- Strata Residential	-0.20%	-5.0 – 5.0%	-1.10%
- Non-residential[3]	-1.80%	-5.0 – 5.0%	-0.50%
1.2 a) Assessment Roll Stability	99.75%	> 99.50%	99.64%
1.2 b) Assessments Accepted without Appeal	99.10%	> 98.00%	98.93%

Data source: Internal property information database
[1]Targets for 2026/27 and 2027/28 are stated in the 2025/26 Service Plan as being consistent with the 2025/26 targets.
[2] The 2025/26 actuals reflect the 2026 Revised Roll values and may differ slightly from the 2026 Completed Roll forecast shown in the 2026/27 Service Plan.
[3] The 2024/25 Service Plan provided values for the 2025 Completed Roll: results shown above reflect the Revised Roll consistent with the 2026 Revised Roll values.

BC Assessment uses roll quality measures to determine the accuracy and uniformity of the assessment roll, and to identify areas for improvement in data quality and processes.

These roll quality measures include Assessment to Sales Ratio (ASR), Coefficient of Dispersion (COD), and Price Related Bias (PRB).

Assessment to Sales Ratio (ASR)

The median ASR is a common roll quality measure used by the International Association of Assessing Officers (IAAO). The median ASR measures how closely assessments mirror a property’s actual selling price, tracking assessment accuracy in a market-based property assessment system. The closer the result is to 100 percent, the more accurate the assessment.

The ASR is calculated by dividing the assessed value (as determined by BC Assessment) of a property that has sold by its selling price and expressing the result as a percentage. For example, if a property is assessed with a value of $972,000 and it sold for $1,000,000, the ASR would be 97.2 percent. The IAAO’s standard for a median ASR is 90–110 percent.

BC Assessment targets a higher level of accuracy, striving for a median of 97–100 percent for residential properties and 95–100 percent for non-residential properties.

Coefficient of Dispersion (COD)

BC Assessment measures the COD for residential properties located in both urban and rural areas, according to internationally recognized standards. The COD measures appraisal uniformity by calculating the dispersion of all ASRs around the median ASR.

The COD is calculated by adding the differences between each ASR in the group and the median ASR, then, determining the average difference. A more uniform and accurate portfolio of assessments is indicated by a lower COD percentage. BC Assessment has matched the IAAO standards for the COD on single-family residential properties at a 5–10 percent range for homogeneous (urban) regions, a 5–15 percent range for heterogeneous (rural) regions, and 5-15 percent for non-residential properties. A broader range is targeted for rural regions, due to fewer comparable market references and potentially wider ranges of purchase price for any given property.

Price Related Bias (PRB)

The PRB is a measure that shows whether the assessment-to-sales price ratios are systematically higher, lower or steady as property values increase. The PRB measures the percentage relationship between property values and assessment ratios, indicating by what percentage assessment levels change whenever property values are doubled (or halved), ensuring that both low and high-valued properties are being assessed equitably. Assessments are regressive if high-value properties are under-appraised relative to low-value properties, and progressive if high-value properties are over-appraised. A good quality assessment roll is neither regressive nor progressive, because value inequities lead to property tax inequities.

The results for ASRs, CODs and PRBs all fell within the provincial and international standards set to ensure a high-quality assessment roll.

Assessment Roll Stability

Each year, property statuses can change, data errors are corrected, and new properties are developed. The Revised Assessment Roll prepared after the completion of the Property Assessment Review Panels (PARP) is also subject to supplementary changes due to Property Assessment Appeal Board (PAAB) decisions and other errors or omissions. These activities further supported the overarching goal of delivering a reliable and accepted assessment roll.

In 2025/26, property assessments provided the base for taxing jurisdictions to collect approximately twelve billion dollars in property tax revenue. The Assessment Roll Stability measure estimates the stability in the amount of taxes collected or refunded by taxing jurisdictions based on changes in general taxable value for a period of 20 months after the revised roll is completed. A high estimate indicates a stable, high-quality assessment roll.

The 2025/26 actual performance measure provides an indication of the 2024 Assessment Roll Stability by estimating the changes in taxes collected as a result of supplementary rolls issued between May 1, 2024, and December 31, 2025. The targets were determined based on analysis of historical data for taxes collected or refunded. BC Assessment met the 2025/26 target of Assessment Roll Stability of having less than 0.50 percent change in taxes. Actual change in taxes collected or refunded amounted to 0.36 percent of general-purpose tax revenues as a result of supplementary rolls issued between May 1, 2024, and December 31, 2025.

Assessments Accepted without Appeal

This performance measure reflects the public acceptance rate for a completed assessment roll. BC Assessment interprets high acceptance of assessments (without appeal) by residential, commercial and major industry customer groups as general validation of overall high quality, accuracy, and uniformity of assessments.

Property owners are encouraged to contact BC Assessment following the receipt of their assessment notice in January if they have concerns or questions. For the 2026 Assessment Roll, 23,892 folios were appealed and reviewed by PARP. This represents a 98.9 percent acceptance rate.

Assessment data quality and accessibility continue to improve as demonstrated through the number of formal complaints registered, which has represented consistently under two percent of assessed properties. BC Assessment's target represents a balance between delivering a high-quality assessment roll and managing within available budgets and resources.

Goal 2: Trusted and valued by customers and partners

Objective 2.1: Ensure positive customer and partner interactions

This objective promotes strong relationships and sharing high quality property information that our customers (property owners) and partners (taxing authorities) can rely on as we work closely with them to identify opportunities for enhancements.

Key results

- Aligned BC Assessment service standards for all customer groups, supported by specific service commitments for property owners and taxing authorities
- Expanded outreach with customers and partners with consultations to evolve public-facing BC Assessment services
- Utilized survey results to improve understanding and proactive response to evolving customer needs
- Responded to external developments such as service disruptions, legislative updates, and impactful legal decisions with collaborative solutions, communications and resources for B.C. citizens

Summary of progress made in 2025/26

BC Assessment has deepened relationships and service responsiveness with Local Governments and Indigenous Nations, as reflected in increased satisfaction scores.

The province-wide annual media and advertising campaign was launched along with the 2026 Assessment Roll, outlining how customers can access their assessment information and connect with staff during the inquiry period, and promoting BC Assessment's online services.

BC Assessment has strengthened trust and confidence through a commitment to transparency, accountability, and resilience. By delivering on priorities, maintaining high standards of services, and proactively reinforcing safeguards against evolving cyber threats, BC Assessment has increased credibility, reduced risk, and reinforced a strong relationship with stakeholders.

Objective 2.2: Improve access to assessment information with enhanced digital capabilities

Assessment information is a key component of what BC Assessment's customers and partners expect from the organization. BC Assessment is always striving to enhance the quality of that information and the methods in which it is made available.

Key results

- Enhanced online options for property owners to access and manage their own property information
- Advanced partnerships and opportunities for information exchange and other mutual benefits

Summary of progress made in 2025/26

Research with both internal and external stakeholders was conducted to co-design future-state service concepts for BC Assessment's public website, setting the foundation for prioritized, user-informed customer experience improvements that promote greater transparency and access to services for British Columbians.

Public access to expanded property details such as historical assessed values and a value change graph were added to the website, along with new features in the Assessment Search function.

BC Assessment initiated collaboration with other Canadian assessment organizations on valuation model development opportunities in 2025/26 and continues to build organizational presence and contributions with leadership roles in industry networks.

BC Assessment continues to effectively deliver information to support new tax policy and identify opportunities to improve information sharing within the public sector in support of provincial government priorities.

Performance measure(s) and related discussion

Performance Measure[1]	2024/25 Actual	2025/26 Target	2025/26 Actual
2.1 Customer Satisfaction Index – Property Owners (Employee Interaction)	79	73-85	78
2.2 Customer Satisfaction Index – Property Owners (Digital Information)	67	≥ 65	62
2.3 Customer Satisfaction Index- Taxing Authorities (Employee Interaction)[2]	n/a	≥ 86	88
2.4 Customer Satisfaction Index - Taxing Authorities (Information, Services and Tools)[2]	n/a	≥ 73	80

Data source: BC Assessment has a contract with a market research firm to act as an independent third party to conduct the customer satisfaction surveys.
[1]Index Scores are out of 100.
[2]In 2025, the timing of the Customer Satisfaction Index for the Taxing Authorities bi-annual survey was updated and is now scheduled for reporting in 2025/26 and 2027/28. PM 2.3 and 2.4 now reflect the updated reporting schedule.

The Customer Satisfaction Index for employee interaction uses a series of questions to help BC Assessment track performance and identify improvements. Respondents rate the importance of the services provided and their agreement with statements about BC Assessment staff knowledge and access to information. Stronger agreement correlates with higher index scores.

BC Assessment's target range of 73 to 85 for property owners, and ≥ 86 for taxing authorities, requires provision of high-quality customer service. The index for property owners is comprised of the combined results for residential and non-residential property owners.

The index for taxing authorities is comprised of the combined results for local governments and Indigenous Nations. Property owners are surveyed annually while taxing authorities are surveyed every two years, at their request.

The annual 2025/26 Customer Experience Survey for property owners showed consistent results for the Employee Interaction Index when compared to 2024/25, but slightly lower outcomes for digital information, a difference which falls within historical norms and is not statistically significant.

The biennial 2025/26 Local Government and Indigenous Nations Relationship Study showed significant improvements compared to 2023/24, with the Employee Interaction Index at 88 approaching the highest levels recorded to date.

Goal 3: Meaningful Partnerships and Reconciliation with Indigenous Nations

Objective 3.1: Supporting Indigenous Nations' ability to establish and sustain self-taxation on reserve lands

BC Assessment provides assessment services, upon request, to Indigenous Nations across the province in support of independent taxation of real property on reserve lands under the *First Nations Fiscal Management Act*, or the *Indian Act*.

Key results

- Enhanced property assessment services for B.C.'s Indigenous Nations
- Shared knowledge and supported partnerships with institutions involved in Indigenous taxation

Summary of progress made in 2025/26

As part of the B.C. provincial government's work to create true and lasting reconciliation with Indigenous peoples, BC Assessment is strongly committed to supporting a renewed relationship with Indigenous peoples based on respect, co-operation and partnership.

BC Assessment made steady progress in 2025/26 by strengthening relationships and advancing inclusion with all Indigenous community customers, including Indigenous communities that have chosen independent taxation and Modern Treaty Nations that exercise property taxation on their Treaty Lands or Nisga'a Lands.

The number of Indigenous community customers that BC Assessment provides assessment services to has increased reflecting a strong relationship built on trust, quality and reliability.

Throughout the year, targeted learning was delivered across the BC Assessment to enhance understanding of Indigenous history and inform current practices.

The annual delivery of assessment services presentations to the First Nations Tax Commission and the First Nations Tax Administrators Association, along with a full day training session at the Tulo Centre of Indigenous Economics, further demonstrates BC Assessment's commitment to meaningful reconciliation.

Performance measure(s) and related discussion

Performance Measure	2023/24 Baseline	2024/25 Actual	2025/26 Target	2025/26 Actual
3.1 Number of Indigenous Nations on reserve lands choosing BC Assessment to provide assessment services[1]	91	93	Maintain and support when requested	93

Data source: Internal property information

[1]PM 3.1 targets for 2026/27 and 2027/28 were stated in the 2025/26 Service Plan as "Maintain and support when requested".

BC Assessment continues to strengthen relationships with all the Indigenous community customer groups using BC Assessment services. The numbers above represent the count of Indigenous Nation community groups for which BC Assessment provides assessment services on reserve lands. The decision to use an assessment service provider is made by each Indigenous community.

Financial Report

For the auditor's report and audited financial statements, see Appendix B. These documents can also be found on the BC Assessment website.

Discussion of Results

BC Assessment recorded a surplus of $952 thousand (0.7% of budgeted revenues) for the fiscal year ended March 31, 2026, compared to a surplus of $574 thousand for the prior fiscal year. This financial result is consistent with BC Assessment's alignment with provincial government's focus on cost management and fiscal restraint.

Revenues of $132.3 million and operating expenses of $131.3 million were $586 thousand (0.4%) higher and $366 thousand (0.3%) lower than budget, respectively. Capital expenditures totaled $6.3 million in 2025/26. Approximately 54% were related to information technology software under development and 46% were other capital asset replacements.

The accumulated surplus was $61.7 million on March 31, 2026, with $42.0 million invested in tangible capital assets, $3.0 million held in the operating reserve, and $16.7 million held for future tangible capital acquisitions.

Financial Summary

($000s)	2024/25 Actual[1]	2025/26 Budget[2]	2025/26 Actual[1]	2025/26 Budget Variance Over/(Under)
Revenues				
Tax Levies	119,940	125,043	125,196	153
Other Revenue	7,217	6,645	7,078	433
Total Revenue	**127,157**	**131,688**	**132,274**	**586**
Expenses				
Employee expenses	85,935	88,588	87,008	(1,580)
Other operating expenses	33,503	35,314	36,298	984
Amortization	7,145	7,786	8,016	230
Total Expenses	**126,583**	**131,688**	**131,322**	**(366)**
Annual Surplus (Deficit)	**574**	**0**	**952**	**952**
Total Liabilities	**22,039**	**25,205**	**26,413**	**1,208**
Accumulated Surplus	**60,760**	**60,760**	**61,712**	**952**
Capital Expenditures	**3,793**	**7,640**	**6,273**	**(1,367)**

[1] Financial information for all years was prepared based on Generally Accepted Accounting Principles for public sector organizations, established by the Public Sector Accounting Board of the Chartered Professional Accountants.
[2] See Note 10 of the Audited Financial Statements in Appendix B for 2025/26 Budget context.

Variance and Trend Analysis

The Financial Summary Table shows BC Assessment's actual financial results for the 2024/25 and 2025/26 fiscal years, along with the 2025/26 budget.

Total revenues to March 31, 2026 are $132.3 million and were $586 thousand (0.4%) higher than budgeted for tax levies and other revenue.

Tax levies were $125.2 million in 2025/26 and account for 94.6% of total revenues. The 2025/26 tax levy revenues include an uplift from growth in the number of new properties and other non-market changes (e.g., improvements made to existing properties). The increase from budget takes into account actual 2025 and 2026 revised roll values and appeal settlements.

All other revenue sources contributed $7.1 million or 5.4% to total revenues in 2025/26. They are comprised of revenue from data access services, payments in lieu of taxes from the Federal and Provincial governments, property assessment services contracts with Indigenous Nations, investment income, other miscellaneous income, and gain on the disposal of assets.

The increase in other revenues from budget was mainly from higher-than-expected average investment balances, partially offset by interest rate decreases.

Total operating expenses of $131.3 million were $366 thousand (0.3%) lower than budget. Approximately 66.3% of BC Assessment's operating expenses consist of employee-related costs such as salaries, benefits, training and development. Employee expenses were $87.0 million in 2025/26, 1.8% or $1.6 million lower than budget. The decrease was primarily attributed to higher than anticipated turnover. Furthermore, general wage increases are slightly lower compared to budget assumptions based on direction provided from the Public Sector Employers Council (PSEC) for excluded management employees for 2025.

Other operating expenses represent 27.6% of total expenses and include costs related to information and communications technology, office premises, corporate and office, assessment appeal, assessment notice printing and postage, and travel. Compared to budget, other operating expenses increased by $984 thousand, driven primarily by higher information technology costs related to street-front imagery improvements in BCA's assessment search portal, unanticipated offboarding costs associated with the Digital Service Migration implementation, and increases in assessment notice printing and postage. These increases were partially offset by savings in appeal costs from lower Property Assessment Appeal Board (PAAB) volumes driven by a stable real estate market, reductions to Property Assessment Appeal Board (PAAB) costs from higher than anticipated PAAB filing fee recoveries, as well as reductions in travel, and corporate and office expenses in response to the provincial government's fiscal restraint directions.

Amortization charges for 2025/26 were $8.0 million, $230 thousand higher than budget to reflect the change in the estimated useful life of the Digital Service Migration project from 10 years to 5 years based on an accounting assessment upon project completion.

Capital expenditures of $6.3 million were $1.4 million (17.9%) lower than budget primarily from changes in scope and implementation timelines for information technology projects.

Risks and Uncertainties

Key risks and uncertainties impacting BC Assessment's financial outlook include the ability to increase levy rates to accommodate uncontrollable cost fluctuations, the sustainability of data access revenues, potential changes in future PARP and PAAB processes and associated costs, wage and benefit increases, and variations in interest and inflation rates.

Appendix A: Progress on Mandate Letter Priorities

The following is a summary of progress made on priorities as stated in the 2025 Mandate Letter from the Minister Responsible.

2025 Mandate Letter Priority	Status as of March 31, 2026
Continue working to evaluate and develop policy, regulatory, legislative and operational solutions to emerging and existing assessment policy and methodology priorities.	• BC Assessment continued to evaluate current policies and develop operational solutions to emerging and existing priorities
Support government's commitment to put people first by delivering services in a fiscally responsible manner.	• BC Assessment continued to review and consider process and systems enhancements, which resulted in operational efficiencies • BC Assessment has enhanced its internal focus on people, with greater focus on diversity and inclusion, health and well-being, investment in learning, and workforce planning
Continue to focus on BC Assessment's core mandate to establish and maintain uniform and accurate real property assessments and work to modernize and improve access to assessment information for all British Columbians.	• BC Assessment continued to monitor market trends for all properties across the province to complete the seamless delivery of the 2026 Assessment Roll
Endeavor to collect and refine necessary data and use the corporation's expertise to support the provincial government in developing new policies and evaluating existing programs.	• BC Assessment has engaged with the provincial government Ministries, providing the information and/or data required to support the Province's initiatives

Appendix B: Auditor's Report and Audited Financial Statements

Appendix B

BC ASSESSMENT

British Columbia Assessment Authority

Financial Statements

Year ended March 31, 2026

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.

Eileen Hu
Vice President and Executive
Financial Officer

Jason Grant
President and Chief Executive Officer

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of British Columbia Assessment Authority

Opinion

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

- the statement of financial position as at March 31, 2026
- 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 statement 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, 2026, and its results of operations, its remeasurement of gains and losses, its changes in net debt 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.

KPMG

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.

- 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.

KPMG LLP

Chartered Professional Accountants

Victoria, Canada
May 14, 2026

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Statement of Financial Position
(Tabular amounts in thousands of dollars)

As at March 31, 2026 with comparative figures as at March 31, 2025

	March 31 2026	March 31 2025
Financial assets		
Cash and cash equivalents (note 3)	$ 14,268	$ 6,536
Accounts receivable	27,732	28,328
Due from provincial government (note 12)	40	38
	42,040	34,902
Liabilities		
Accounts payable and accrued liabilities	4,510	4,227
Due to provincial government (note 12)	3,774	2,177
Employee future benefits and other liabilities (note 4)	15,714	12,621
Deferred revenue	79	98
Lease inducements	2,336	2,916
	26,413	22,039
Net financial assets	15,627	12,863
Non-financial assets		
Tangible capital assets (note 5)	41,983	43,786
Prepaid expenses	4,102	4,111
	46,085	47,897
Accumulated surplus (note 6)	$ 61,712	$ 60,760

Commitments (note 7); Contractual rights (note 11); Contingent liabilities (note 13)

Approved on behalf of the Board of Directors:

John Crawford
Chair, Audit & Risk Management Committee

Gina Pala
Chair, Board of Directors

BRITISH COLUMBIA ASSESSMENT AUTHORITY

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

For the year ended March 31, 2026 with comparative figures for the year ended March 31, 2025

	Budget (note 10)	March 31 2026	March 31 2025
Revenues			
Tax levies	$ 125,043	$ 125,196	$ 119,940
Data access services (note 8)	3,800	3,885	3,791
Payments in lieu of taxes	1,140	1,164	1,114
Indigenous Nations	945	981	900
Investment income	750	955	1,274
Other income	10	44	48
Gain/(loss) on disposal of tangible capital assets	-	49	90
Total revenues	131,688	132,274	127,157
Expenses			
Employee expenses	88,588	87,008	85,935
Information technology	16,351	18,882	16,088
Office premises	5,965	6,165	6,009
Corporate and office	3,404	3,070	3,465
Amortization of tangible capital assets	7,786	8,016	7,145
Appeal costs (note 9)	4,258	3,355	3,415
Travel	1,435	804	1,429
Assessment notice printing and postage	3,901	4,022	3,097
Total expenses	131,688	131,322	126,583
Annual surplus/(deficit)	-	952	574
Accumulated surplus, beginning of year	60,760	60,760	60,186
Accumulated surplus, end of period (note 6)	$ 60,760	$ 61,712	$ 60,760

BRITISH COLUMBIA ASSESSMENT AUTHORITY

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

For the year ended March 31, 2026 with comparative figures for the year ended March 31, 2025

	Budget (note 10)	March 31 2026	March 31 2025
Annual surplus/(deficit)	$ -	$ 952	$ 574
Acquisition of tangible capital assets	(7,640)	(6,273)	(3,793)
Amortization of tangible capital assets	7,786	8,016	7,145
(Gain)/loss on disposal of tangible capital assets	-	(49)	(90)
Write-down of tangible capital assets	-	59	1,209
Proceeds on sale of tangible capital assets	-	50	93
Change in tangible capital assets	146	1,803	4,564
Change in prepaid expenses	-	9	(1,321)
Change in net financial assets	146	2,764	3,817
Net financial assets, beginning of year	12,863	12,863	9,046
Net financial assets, end of period	$ 13,009	$ 15,627	$ 12,863

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Statement of Cash Flows
(Tabular amounts in thousands of dollars)

For the year ended March 31, 2026 with comparative figures for the year ended March 31, 2025

		March 31 2026		March 31 2025
Cash provided by (used in):				
Operating activities				
Annual surplus/(deficit)	$	952	$	574
Items not involving cash				
Amortization of tangible capital assets		8,016		7,145
Change in lease inducements		(580)		15
(Gain)/loss on disposal of tangible capital assets		(49)		(90)
Write-down of tangible capital assets		59		1,209
Change in employee benefits and other liabilities		3,093		994
Change in non-cash assets and liabilities				
Accounts receivable		596		(415)
Due from provincial government		(2)		(30)
Accounts payable and accrued liabilities		283		137
Due to provincial government		1,597		(530)
Deferred revenue		(19)		(6)
Prepaid expenses		9		(1,321)
Net change in cash from operating activities		13,955		7,682
Capital activities				
Proceeds on sale of tangible capital assets		50		93
Acquisition of tangible capital assets		(6,273)		(3,793)
Net change in cash from capital activities		(6,223)		(3,700)
Net change in cash and cash equivalents		7,732		3,982
Cash and cash equivalents, beginning of year		6,536		2,554
Cash and cash equivalents, end of period	$	14,268	$	6,536

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 British Columbia 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.

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 the 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 not allocated 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.

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.

2. Significant Accounting Policies (continued)

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.

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, 2026, the Authority did not have any leased tangible capital assets. All other leases are accounted for as operating leases, and 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.

(Tabular amounts in thousands of dollars)

2. Significant Accounting Policies (continued)

Tax levies: Each year, the Authority, by by-law and with the prior approval of the Lieutenant Governor in Council (effective 2026/27, Treasury Board), 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. Upon request, 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.

Other Income: Other income includes revenue from payments in lieu of taxes and other miscellaneous revenue. Miscellaneous revenue is recognized when goods are 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 2026	March 31 2025
Cash	$ 469	$ 1,138
Cash equivalents	13,799	5,398
Total	$ 14,268	$ 6,536

(Tabular amounts in thousands of dollars)

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 2026	March 31 2025
Employee future benefits	$ 5,392	$ 5,239
Other liabilities	10,322	7,382
Total	$ 15,714	$ 12,621

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

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, 2026, by HUB International, 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 2026	March 31 2025
Balance, beginning of year	$ 5,239	$ 4,978
Current benefit cost	385	365
Interest	227	226
Benefits paid	(546)	(421)
Amortization of loss	87	91
Balance, end of year	$ 5,392	$ 5,239

(Tabular amounts in thousands of dollars)

4. Employee Future Benefits and Other Liabilities (continued)

Actuarial reconciliation at the end of year		**March 31 2026**		**March 31 2025**
Actuarial employee future benefits liability	$	4,864	$	5,764
Unamortized actuarial gain/(loss)		528		(525)
Balance, end of year	$	5,392	$	5,239

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

	March 31 2026	**March 31 2025**
Discount rate	4.06%	3.88%
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 2025/26, this resulted in a net actuarial gain of $966 thousand, attributed to the change in demographics, timing of vacation in the year of retirement, withdrawal and retirement assumptions, actual benefits payments, and discount rate from 3.88% to 4.06% per annum.

The cumulative unamortized actuarial gain on future benefit payments as at March 31, 2026, is amortized over the estimated average service lives of employees, which is 12 years (2024/25 - 11 years).

b) Employee pension benefits

The Authority and its employees contribute to the Public Service Pension Plan (the Plan), a jointly trusteed, 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, 2025, the Plan had approximately 79,532 active members and 57,519 retired members.

(Tabular amounts in thousands of dollars)

4. Employee Future Benefits and Other Liabilities (continued)

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, 2026, the Authority made $6.2 million in employer contributions to the Plan (2024/25 - $6.3 million).

5. Tangible Capital Assets

a) Changes to tangible capital assets within the year

Cost	March 31 2025	Additions	Disposals, write-downs & transfers	March 31 2026
Land	$ 91	$ -	$ -	$ 91
Buildings	1,722	-	-	1,722
Furniture & office equipment	5,668	67	(104)	5,631
Computer equipment	9,768	2,821	(2,084)	10,505
Vehicles	1,193	-	(55)	1,138
Leasehold improvements	8,935	-	(132)	8,803
Major computer systems - software	53,745	-	3,401	57,146
Minor computer systems - software	319	-	-	319
Software under development	1,497	3,385	(3,460)	1,422
Total	$ 82,938	$ 6,273	$ (2,434)	$ 86,777

Accumulated Amortization	March 31 2025	Disposals	Amortization expense	March 31 2026
Land	$ -	$ -	$ -	$ -
Buildings	1,464	-	17	1,481
Furniture & office equipment	4,662	(102)	397	4,957
Computer equipment	6,837	(2,084)	1,621	6,374
Vehicles	889	(55)	77	911
Leasehold improvements	6,812	(133)	360	7,039
Major computer systems - software	18,261	-	5,518	23,779
Minor computer systems - software	227	-	26	253
Software under development	-	-	-	-
Total	$ 39,152	$ (2,374)	$ 8,016	$ 44,794

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2026

5. Tangible Capital Assets (continued)

Net book value		March 31 2025		March 31 2026
Land	$	91	$	91
Buildings		258		241
Furniture & office equipment		1,006		674
Computer equipment		2,931		4,131
Vehicles		304		227
Leasehold improvements		2,123		1,764
Major computer systems - software		35,484		33,367
Minor computer systems - software		92		66
Software under development		1,497		1,422
Total	$	43,786	$	41,983

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 2025/26, $59 thousand in capital work-in-progress was written down.

6. Accumulated Surplus

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

		March 31 2026		March 31 2025
Surplus				
Invested in tangible capital assets	$	41,983	$	43,786
Reserve				
Future tangible capital asset acquisitions		16,729		13,974
Operating		3,000		3,000
Total reserves		19,729		16,974
Accumulated surplus, end of year	$	61,712	$	60,760

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2026

6. Accumulated Surplus (continued)

Certain amounts are set aside in accumulated surplus for future financial obligations and the purchase of tangible capital assets. As at March 31, 2026, $2.8 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.

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
2026/27	$	12,567
2027/28		8,229
2028/29		6,216
2029/30		5,212
2030/31		2,462
2031/32 - 2033/34		2,603
	$	37,289

8. Data Access Services Revenue

During the year, gross data access services sales totaled $7.1 million (2024/25 - $6.3 million). Discounts amounting to $3.2 million (2024/25 - $2.5 million) were provided, resulting in net sales of $3.9 million (2024/25 - $3.8 million). Revenue from multi-year data access service agreements is disclosed in **Note 11. Contractual Rights**.

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2026

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 $2.8 million as at March 31, 2026 (2024/25 - $2.7 million).

10. Budget Data

The 2025/26 budget figures have been provided for comparison purposes and have been derived from the budget approved by the Board of Directors on June 19, 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, 2026, are as follows:

Year(s)		Amount
2026/27	$	1,389
2027/28		683
2028/29		502
2029/30		277
2030/31		101
	$	2,952

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.

(Tabular amounts in thousands of dollars)

For the year ended March 31, 2026

12. Related Party Transactions (continued)

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 $1.5 million (2024/25 – $1.8 million), representing approximately 1% of the Authority's total revenue. The transactions are detailed in the table below.

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 2026	March 31 2025
Revenues		
Data access services	$ 980	$ 1,072
Other income	53	96
Expenses		
Employee expenses	1,658	1,635
Information technology	1,392	785
Office premises	137	114
Corporate and office	191	322
Appeal costs	2,801	2,736
Travel	40	43
Assessment notice printing and postage	69	45
Assets/(Liabilities) at period end with related parties:		
Due from provincial government	40	38
Due to provincial government	(3,774)	(2,177)

The Authority contracts the disposal of surplus assets to the Province of British Columbia. Sale proceeds, net of disposal costs, totaled $50 thousand as at March 31, 2026 (2024/25 - $93 thousand).

13. Contingent Liabilities

As at March 31, 2026, BCA is a party to a lawsuit. No amount has been accrued in the financial statements in respect of this matter due to the uncertainty surrounding both the potential outcome and timing of resolution.

14. 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.

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.

14. Financial Risk Management (continued)

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.