Legal Aid BC

2025/26
Annual Service Plan Report

August 2026

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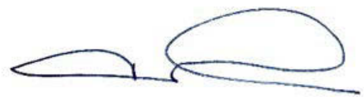
Published by Legal Aid BC

Published on the traditional unceded territory of the Coast Salish peoples, including the territories of the xʷməθkʷəy̓əm (Musqueam), Sḵwx̱wú7mesh (Squamish), and səl̓ílwətaʔɬ/Selilwitulh (Tsleil-Waututh) Nations

Board Chair's Accountability Statement

The Legal Aid BC 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:



Thomas Arbogast, KC
Board Chair, Legal Aid BC
July 7, 2026

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Letter from the Board Chair & CEO

We are pleased to share Legal Aid BC's (LABC) 2025/26 Annual Service Plan Report, which summarizes how we advanced our Service Plan goals in alignment with the Attorney General's Mandate Letter dated May 23, 2025. This report marks the third year of reporting under LABC's current strategic framework, as reflected in the 2025/26 Service Plan. In the past year, LABC focused on initiatives to strengthen service delivery and improve outcomes for clients. To guide efforts, LABC identified three organizational priorities: strengthening frontline services, delivering consistently high-quality services, and addressing critical family law needs amid rising demand.

To strengthen frontline services, LABC focused on supporting and retaining frontline staff, improving call management, and streamlining client application processes. Maintaining a full complement of Intake staff, implementing structural changes, and introducing standardized training initiatives improved call centre performance, reducing average wait times across all lines from 8:03 in 2024/25 to 6:21 in 2025/26. These improvements contributed to nearly 3,000 fewer abandoned calls and more than 1,000 additional calls answered compared to the previous year. Email applications improved accessibility by allowing clients to apply at their convenience, while the creation of a dedicated Lawyer Search team reduced administrative demands on Intake staff and increased capacity to assess client eligibility and coverage for legal aid services.

In response to the findings of the Auditor General in their 2025 report, Ensuring Quality of Legal Aid Representation Services, LABC made progress in developing a lawyer Quality Assurance (QA) Framework through research and engagement with staff, private bar lawyers, and external partners. This work included publication of a discussion paper for feedback, quantitative analysis of engagement findings, and a current-state and gap analysis of existing quality assurance measures across services. This resulted in a draft QA Framework that establishes the basis for legal aid quality standards.

LABC continued efforts to better meet family law needs in response to sustained demand for services. In 2025/26, financial eligibility guidelines for family law representation services were increased, meaning more people with family law issues qualified for free legal services. LABC continued enhancing family law services through assessment and process improvements at Family Law Centres (FLC) during their first full year of implementation. In addition, family duty counsel services further expanded in support of the Early Resolution Process (ERP) across BC.

The work undertaken in 2025/26 reflects LABC's ongoing commitment to improving service quality and responsiveness across the organization. Through targeted investments, operational improvements, and evaluation of services, LABC remains focused on strengthening support for clients and advancing a more effective and sustainable legal aid system for people in British Columbia.

Wendy Jackson

Thomas Arbogast, KC
Board Chair, Legal Aid BC
July 7, 2026

Wendy Jackson
Chief Executive Officer, Legal Aid BC
July 7, 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 [2023/24 Mandate Letter] from the Minister Responsible shaped the goals, objectives, performance measures and financial plan outlined in the Legal Aid BC [2025/26 – 2027/28 Service Plan] and the actual results reported on in this annual report.

Purpose of the Organization

LABC provides legal aid in British Columbia. Our mission is to strengthen client-centred legal help for British Columbians experiencing barriers to accessing the legal system. Barriers our clients experience in exercising their legal rights include things like income inequality, a lack of knowledge about the legal system, limited access to technology, substance use disorders, and challenges with mental health. Each year, tens of thousands of British Columbians rely on us for legal advice, representation and information services in the areas of criminal, family, child protection and immigration law.

Created by the [Legal Services Society Act] in 1979, we are a provincial Crown Corporation with a mandate to assist individuals in resolving their legal problems, administer an effective and efficient system for providing legal aid, and advise the Attorney General respecting legal aid and access to justice. We're funded by the Ministry of Attorney General (the Ministry), with additional support from the Department of Justice Canada, the Law Foundation of BC and the Notary Foundation of BC.

Our vision is aspirational: BC's legal system transformed, by the way LABC represents our clients, into one more equitable and inclusive. Our core beliefs reflect our employees' compassion, and have Equity, Diversity, and Inclusion (EDI) at their centre. These beliefs guide us to be client-focused, advance Truth and Reconciliation, find strength in EDI, and demonstrate leadership that supports positive changes to the legal system.

Economic Statement

Economic activity in British Columbia advanced in 2025, after modest growth in 2024, despite facing notable headwinds. Last year, homebuilding activity in the province continued at a steady pace, and lower interest rates and easing inflation supported household spending. Meanwhile, high uncertainty around the impacts of U.S. tariffs and significantly lower population growth tempered economic activity in B.C., and across many provinces. Overall, B.C.'s real GDP rose by 2.0 per cent in 2025, up from 1.2 per cent growth in 2024. B.C. was one of only two provinces that saw an increase in the rate of real GDP growth from 2024 to 2025. On an industry basis, B.C.'s economic growth in 2025 was led by real estate, rental and leasing; health care and social assistance services; mining, quarrying, and oil and gas extraction; and construction.

B.C.'s labour market moderated in 2025, amid slower population growth and trade-related economic uncertainty. Total employment rose by 1.1 percent (+32,200 jobs), while wages and salaries rose by 3.1 percent. The unemployment rate averaged 6.2 percent in 2025, up from 5.6 percent in 2024, as labour force growth outpaced job creation. Despite rising last year, B.C.'s unemployment rate remained below the national average of 6.8 percent. B.C. housing starts totalled 44,193 units in 2025, down 3.6 percent from 2024, but remained above the 10-year historical average. Meanwhile, B.C. home sales activity declined by 5.7 percent compared to 2024, with muted demand contributing to a 2.9 percent decrease in the average home price. Inflationary pressures continued to moderate in 2025, reflecting slower price growth for services and subdued inflation for goods. Shelter inflation was the largest contributor to headline inflation last year but slowed substantially for both rented and owned accommodation compared to recent years. Lower gasoline prices, partly due to the removal of the B.C. consumer carbon tax, also helped ease headline inflation. Overall, B.C.'s consumer price inflation averaged 2.1 percent in 2025, down from 2.6 percent in 2024. Lower inflation and easing interest rates supported robust retail sales, which grew by 6.4 percent in 2025. On the trade front, B.C.'s merchandise exports remained relatively flat as markets adjusted to shifting global trade conditions. Overall, the value of B.C.'s goods exports edged down 0.1 percent compared to 2024 as increased exports to non-U.S. destinations were offset by a continued decline in goods exports to the U.S.

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: LABC clients achieve better outcomes

Objective 1.1: Provide high-quality legal services

High-quality legal services are essential to clients achieving better outcomes. Continuous improvement in service quality, linked to client outcomes, will lead to better results for our clients.

Key results

- In 2025/26, its first full year of operation, the FLC served 333 clients, who receive ongoing support until their legal issues reach meaningful stabilization.
- Established a baseline of the Legal Aid Navigators (LAN) program for service delivery activities in March 2026, completed an operational assessment and updated logic model with ongoing work on outcome measurement, and advanced equitable access through expanded co-location and strengthened partnerships with Indigenous organizations.
- In March 2026, completed the research and engagement phase and developed a draft QA Framework, including core definitions, principles, service standards, eligibility requirements, and initial report content.
- Completed expansion of Expanded Family Duty Counsel (EFDC).

Summary of progress made in 2025/26

LABC continued to improve and evaluate the FLC model designed to support clients experiencing family violence. A process evaluation was completed in February 2026, with operational recommendations reviewed and adjustments made to continuously improve services. An outcomes evaluation was also initiated, with a final evaluation report expected in Fall 2026.

LABC continued refining the LAN program to improve service delivery, strengthen outcome measurement, and better understand resource use. Timesheet tracking for the period September 2025 to March 2026 showed that navigator time was primarily spent on court support and next-step consultations, client casework, and virtual bail support. Improvements included expanded co-location at the Vancouver Justice Access Centre in June 2025, and stronger collaboration with Métis Nation BC (MNBC) and the BC First Nations Justice Council (BCFNJC) resulting in increased referrals between partner organizations and improved access pathways for clients. Program data collection[1] also improved significantly, with tracking of client support activities increasing from 32% to 52%.

LABC advanced development of a lawyer QA Framework through research and engagement with staff, private bar lawyers, and external partners. Key activities included surveys, focus groups, publication of a discussion paper, quantitative analysis of findings, and a current-state and gap analysis of existing QA measures. This resulted in completion of the research and engagement phase and development of a draft QA Framework, including a definition of quality, guiding principles, foundational elements, measures, draft service standards, and minimum eligibility requirements for lawyer rosters in core service areas.

In 2025/26, LABC also expanded EFDC services to support implementation of the ERP across BC. EFDC services support clients navigating the family justice system and strengthen self-representation services in the affected regions.

Performance measure(s) and related discussion

Performance Measure	2018/19 Baseline	2024/25 Actual	2025/26 Target	2025/26 Actual
1a. Percent of clients provided LABC services for interrelated needs, or referred to other services for interrelated needs[1]	21%	32%	33%	32%

Data source: LABC client information system and other operational data (reported by fiscal year as annual measure).
[1]PM 1a targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as 34% and 36%, respectively.

LABC did not meet the 2025/26 target due to a decline in referrals through the Family LawLINE related to staffing changes within the service. This decline was partly offset by increased referrals through the EFDC program.

This measure reports the percentage of applicants for LABC representation services across different LABC service types, including LAN – assisted clients, clinic services, EFDC services, and Family LawLINE who are provided with services for their interrelated needs or referred to other service providers to assist with their interrelated needs. It includes support for interrelated issues provided directly by clinic and LAN staff. LABC considers increasing our clients' access to wrap-around services an important measure of quality: a higher number of clients receiving support for their interrelated needs indicates that they are getting the help they need to get better outcomes.

[1] Program data was collected from September 2025 – March 2026.

Performance Measure	2022/23 Baseline	2024/25 Actual	2025/26 Target	2025/26 Actual
1b. Percent of clients who say LABC made it easy for them to deal with their issues[1]	60%	68%	66%	75%

Data source: LABC client information system.
[1]PM 1b targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as 68%.

In 2025/26, 75% of clients surveyed agreed that LABC made it easy for them to deal with their issues, exceeding the annual target of 66% and improving from 68% in 2024/25. This measures clients' perception of how easy LABC made it for them to deal with their issues across different points of interaction with legal aid services. Potential drivers of the increase include increased access to email applications, reduced call centre wait times, and a dedicated Lawyer Search team that allowed Intake staff to reduce administrative time on each file and focus on assessment of applications.

Performance Measure	2020/21 Baseline	2024/25 Actual	2025/26 Target	2025/26 Actual
1c. Percent of clients who say their legal aid lawyer explained things in a way they understood[1]	70%	76%	76%	68%

Data source: LABC client information system.
[1]PM 1c targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as 76%.

This was below both the 2024/25 result of 76% and the annual target of 76%. This measure captures clients' perception of whether their legal aid lawyer explained things in a way they understood. The data captures clients who receive representation services from lawyers, including Parents Legal Centre (PLC) lawyers. With the launch of the FLC in 2024/25, this measure now includes clients' experience with FLC lawyers. Across all lawyer services in 2025/26, 68% of clients surveyed agreed that their lawyer explained things clearly.

Specifically, clients with private bar lawyers at the close of their contract felt less clear and informed of what they needed to do to help resolve their legal problem. Further analysis indicates that unmet client communication needs in interactions with their lawyer contributed to the decline in performance. LABC will respond to these findings through the QA framework which is intended to strengthen service quality and consistency across lawyer services.

Goal 2: LABC employees are engaged

Objective 2.1: Create a work environment that strengthens employee commitment

Commitment to the mandate and values of LABC is a key driver of employee engagement. Creating a work environment that strengthens employee commitment will promote Goal 2.

Key results

- Recognized as one of BC's Top 100 Employer for the third consecutive year.

- Improved accessibility and equity in recruitment processes, through expansion of outreach channels, and review of candidate assessment practices.

Summary of progress made in 2025/26

Staffing changes within the Human Resources (HR) department and competing operational priorities affected the progress on some planned recruitment and retention initiatives, as well as collaboration with employees to build opportunities for career advancement intended to advance Objective 2.2. Despite this, LABC took meaningful steps to strengthen employee commitment.

Employees play a critical role in supporting access to justice, and attracting and retaining legal talent is essential to maintaining service quality and building a workforce that reflects the communities LABC serves. To advance LABC's Truth and Reconciliation and EDI focused recruitment and retention strategy, HR related commitments set out in LABC's Accessibility Plan were completed. Progress on these commitments are published in the 2023 – 2025 LABC's Accessibility Progress Report.

These updates included improvements to recruitment outreach and hiring processes to reduce barriers for applicants. Job postings are now distributed through additional channels, including disability employment organizations, increasing visibility of LABC opportunities within the labour market. Applicants also have more flexibility in how they submit applications, and clearer information is available on accommodations and support. Training was also provided within the HR department to address bias in hiring processes. The impact of these changes is expected to become more measurable over the next year.

Objective 2.2: Develop future leaders

Job satisfaction and organizational satisfaction are also key drivers of employee engagement. Creating equitable opportunities for training, leadership development and advancement within LABC will increase job satisfaction and promote Goal 2.

Summary of progress made in 2025/26

LABC continued work to strengthen leadership development and succession planning to support continuity in service delivery and build organizational capacity. Succession planning work continued during the year through revival of the succession management framework and development of a roadmap to support implementation. Critical roles and potential successors were identified, including positions in the Corporate Services, Legal Operations and Legal Strategy divisions. This supports workforce planning and improves visibility of leadership gaps across the organization, helping mitigate operational risk.

Performance measure(s) and related discussion

Performance Measure	2022/23 Baseline	2024/25 Actual	2025/26 Target	2025/26 Actual
2a. Employee retention rate[1]	86%	83%	84%	89%

Data source: Operational data (reported by fiscal year as an annual measure).
[1]PM 2a targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as 86%.

In 2025/26, retention increased to 89%, compared to 83% in 2024/25, exceeding the target of 84%. LABC's employee retention rate measures the percentage of employees who remain within the organization over the year and is an indicator or workforce stability. Turnover rates for permanent staff departures also declined over the year, providing an additional indicator of workforce stability. The turnover rate for permanent staff departures was 9.82%, an improvement from 17.07% in 2024/25. While there could be external economic labour market factors affecting the reduction in turnover, employee engagement survey results also point to continued positive employee sentiment related to organizational commitment, recognition, and job satisfaction.

Performance Measure	2020 Baseline	2024/25 Actual	2025/26 Target	2025/26 Actual
2b. Employee engagement score[1]	66[2]	69%	64%	71%

Data source: Annual LABC Employee Survey.
[1]PM 2b targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as 65%.
[2]Baseline set using "overall employee engagement" results from the LABC Workplace Environment Survey conducted in 2020, which uses a 5-point survey scale and produces "average score" results.

LABC's employee engagement increased from 69% in 2024/25 to 71% in 2025/26, with nearly 75% of staff participating in the survey. These results reflect a continued positive trend following the improvements observed the previous year.

High employee engagement in the public sector is associated with stronger staff retention and improved services for clients. The 2025/26 target of 64% was set during a period of leadership transition, providing an opportunity to recalibrate future performance targets to better reflect organizational conditions at the time while supporting progress toward, and beyond, baseline levels.

Survey results identified several factors contributing to this increase. Employee perceptions that their contributions are valued at LABC increased from 67% to 74% in 2025 and was a key contributing factor to the overall improvement in engagement. Trust in senior management also increased from 55% to 61%. These results indicate continued progress in strengthening employee commitment, and LABC will continue building on this work.

Performance Measure	2022/23 Baseline	2024/25 Actual	2025/26 Target	2025/26 Actual
2c. Percentage of internal promotions and lateral changes[1]	37%	34%	35%	42%

Data source: Operational data (reported by fiscal year as an annual measure).
[1]PM 2c targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as 35% and 36%, respectively.

In 2025/26, 42% of staffing changes were filled internally, exceeding the target of 35%. This performance measure tracks the percentage of positions filled by existing LABC employees through promotions or lateral changes.

During the year, 67 positions were filled, including 28 by internal candidates through promotions and lateral moves, and 39 by external candidates. Internal moves supported employee career development and mobility across the organization, while external candidates hired contributed new skills and fresh perspectives to the organization.

Goal 3: LABC has strong collaborative relationships

Objective 3.1: Collaborate with service providers to benefit our clients

Lawyers are a primary provider of legal aid services for LABC. At the same time, many LABC clients must navigate a complex, multi-provider environment to get the services they need to address their legal issues. More client-focused collaboration should enable clients to move between legal and other service providers with greater ease and efficiency – increasing the likelihood of a better outcome.

Key results

- In May 2025, established an Information Governance Committee to oversee information and data governance activities and help inform discussions related to data strategy and cross sector data sharing work.

Summary of progress made in 2025/26

In alignment with organizational priorities, progress on cross sector data sharing work was limited. With available resources, work continued to build the foundations for future data sharing and coordination with justice and social service providers. Engagement with external partners, including the Ministry of Social Development and Poverty Reduction and the Ministry of Attorney General, also identified opportunities for future cross-sector coordination and integration.

Objective 3.2: Strengthen our relationships with partners in the legal system

Our partners in the legal system include government ministries, Indigenous leadership, organizations and communities, legal system participants, and a variety of other organizations and professionals, including the Association of Legal Aid Lawyers (ALL). By strengthening these relationships and working together, we can help clients achieve better outcomes.

Key results

- In collaboration with the BCFNJC, a grant agreement was developed in December 2025 for an Indigenous Justice Centre (IJC) lawyer to provide duty counsel services at the Chilliwack Indigenous Court.
- Métis Nation BC became a referral partner for Legal Aid Navigators supporting Métis clients, with five direct referrals made in 2025/26 compared to none in 2024/25.
- In partnership with the ALL, LABC delivered lawyer outreach, engagement, and recruitment activities that engaged 124 lawyers, 41 law students, 20 articling students, and a legal aid training conference attended by 70 lawyers interested in legal aid practice.

Summary of progress made in 2025/26

Through partnership with the BCFNJC and MNBC, LABC continues to advance the BC First Nations Justice Strategy and the Métis Justice Strategy.

The Chilliwack Indigenous Court marked the second Indigenous Court where the BCFNJC identified readiness to assume the duty counsel role. IJC lawyers now provide duty counsel services at 20% of Indigenous Courts and at all locations where agreements have been requested. This supports the BC First Nations Justice Strategy 5: Transforming Indigenous Legal Aid Services, which focuses on transitioning certain legal aid services to BCFNJC to increase access to justice and culturally safe services for Indigenous accused.

The BCFNJC and MNBC also identified ongoing capacity and budget pressures as they continue stabilizing and refining existing services. LABC will keep these considerations in mind as work with both organizations continues.

Performance measure(s) and related discussion

Performance Measure	2022/23 Baseline	2024/25 Actual	2025/26 Target	2025/26 Actual
3a. LABC tariff lawyer retention rate[1]	84%	82%	85%	85%

Data source: LABC client information system (reported by fiscal year as annual measure).
[1]PM 3a targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as 85%.

The tariff lawyer retention rate increased to 85% in 2025/26, up from 82% in 2024/25, meeting the annual target. This measure tracks the percentage of tariff lawyers who accepted three or more contracts in one year and continued to accept three or more contracts in the following year. This higher retention is driven by a greater proportion of active tariff lawyers accepting legal aid contracts.

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
3b. Percent of tariff lawyers who said LABC was easy to work with on behalf of the client[1]	52%	TBD	58%

Data source: LABC Tariff Lawyer Survey (reported by fiscal year as annual measure).
[1]PM 3b targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as TBD.

The percentage of tariff lawyers who said LABC was easy to work with on behalf of clients increased from 52% in 2024/25 to 58% in 2025/26. This measure reflects lawyers' experiences interacting with LABC while providing legal aid services to clients and provides insight into administrative efficiency and service delivery.

Results from the survey indicated generally positive experiences related to timeliness of responses and administrative processes, with more than half of respondents rating issuing contracts, requesting contract changes, and receiving payment as timely or very timely. Survey feedback also identified opportunities to further improve lawyer experience through simplification of billing, authorizations, and other administrative processes.

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
3c. Percent of agencies that say that LABC was easy to work with on behalf of the client[1]	52%	TBD	65%

Data source: LABC annual survey of community agencies reported by fiscal year as an annual measure.
[1]PM 3c targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as TBD.

This measure assesses how easy it is for service providers and community partners to work with LABC in supporting shared clients and provides insights into collaboration, coordination, and service experience. In 2025/26, results improved from 52% to 65%.

Relationship building and outreach activities contributed to the improvement in this measure. These included Legal Aid Connect events held in Surrey, Abbotsford, Campbell River, and Nanaimo as well as Legal Aid 101 presentations provided. Feedback from Connect events highlighted the value of creating opportunities for lawyers, community partners, and LABC staff to connect, share information and discuss client service challenges and priorities for clients navigating the legal system.

Goal 4: LABC is a responsive organization

Objective 4.1: Assess and demonstrate our impact to continuously improve our services

Reliable data on the impact of LABC services on client outcomes is essential to identify what's working, what isn't, and why. Assessing and sharing results with service providers, partners, and the public will build accountability, demonstrate value, and guide improvements.

Key results

- In April 2025, fully implemented Client Pulse Surveys to collect ongoing reliable client experience data and help ensure that service improvements are driven by the experiences and needs of clients.
- In September 2025, developed and piloted new organizational performance measures to assess service quality and client outcomes.

Summary of progress made in 2025/26

Key activities included the full implementation and expansion of LABC Client Pulse Surveys to include FLC clients and development of requirements for a Tariff Lawyer Pulse Survey. Pulse surveys provide ongoing insight rather than one-time feedback, allowing LABC to monitor trends over time and respond more quickly to issues as they arise. The number of client responses received in 2025/26 increased over the previous year, increasing reliability of LABC's client experience data. LABC initiated quarterly reporting of client pulse surveys responses linked to key performance measures. Client survey findings were used in part to support decision-making and inform major initiatives, including the Quality Assurance Framework and the Family Legal Aid Program Review, where client qualitative feedback helped identify service gaps and shape recommendations.

Also in 2025/26, LABC developed and proposed 22 new organizational Key Performance Indicators (KPI), including a pilot "Client Outcome Achievement Rate" to better capture client-defined outcomes for FLC clients. New KPIs are being proposed to support continuous improvement and provide a more complete understanding of organizational performance and impact.

Objective 4.2: Leverage technology to optimize our operations and service delivery

In an era of hybrid service delivery and flexible workplaces, the importance of technology to internal and external process efficacy as well as service quality has never been greater. By investing in our IT infrastructure, LABC will be better able to support our justice partners to modernize the court system and expand the digital delivery of service for clients.

Key results

- Advanced major digital transformation work, including completion of the first cloud migration, established program governance, moved forward with enterprise system replacements, and initiation of cybersecurity and resiliency planning.

Summary of progress made in 2025/26

The DTP achieved a milestone this year with the successful migration of the Watson Audit and Investigation system to the cloud, moving a critical legacy system into a more secure, stable, and scalable environment while improving performance and reducing risk. This also created a foundation for further system migrations and infrastructure modernization. Program governance was strengthened through the addition of a dedicated Digital Transformation Program (DTP) Lead, improving coordination, decision-making, vendor oversight, and accountability, while helping address delivery risks and reduce reliance on single vendors.

Several core replacement projects also advanced, with the Financial System Replacement and Large Case Management initiatives completing discovery work, including business requirements and fit-gap analysis, with no major gaps identified. Cybersecurity and disaster recovery planning was also launched to strengthen security and organizational resilience.

Overall, the DTP advanced 12 active initiatives and continued progressing from planning into execution, supported by a multi-year roadmap and early performance measures to track progress and benefits.

Performance measure(s) and related discussion

Performance Measure	2020/21 Baseline	2024/25 Actual	2025/26 Target	2025/26 Actual
4a. Percentage of clients who say the application process was straightforward[1]	71%	79%	72%	83%

Data source: Ongoing LABC Client Survey (reported by fiscal year as annual measure).
[1]PM 4a targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as 85%.

In 2025/26, 83% of clients surveyed said their application process was straightforward, up from 79% in 2024/25 and exceeding the annual target of 72%. A straightforward application process is an important indicator of responsive and client-centred service delivery. Making it easier for clients to apply for legal aid services supports timely access to assistance, reduces administrative barriers, and improves the overall client experience when navigating the legal system.

This result is linked in part to improvements to the intake application process, including expansion of online applications, introduction of a lawyer search function in intake, reduction in wait times and streamlining of application processes.

Goal 5: LABC has a culture of Truth and Reconciliation, Equity, Diversity and Inclusion

Objective 5.1: Embed Truth and Reconciliation, Equity, Diversity and Inclusion throughout every aspect of LABC

Integrating Truth and Reconciliation and EDI throughout every aspect of the organization is critical to building that culture within LABC, and we prioritize resources to achieve that.

Key results

- Completed 6 of the 10 actions as outlined in the 2023 – 2025 Accessibility Plan Progress Report.
- Developed and launched an anonymous complaints channel for employees and trained investigators in anti-racist, equitable and decolonial approaches to complaints handling.
- Centralized access to mandatory employee training, including required EDI training, with completion rates increasing from 25% to 74% over the year.
- Launched the collection and use of lawyer demographic data, with over 500 lawyers self-identifying at least one demographic characteristic and 73% consenting to share this information to support client choice of counsel requests.
- Advanced priority actions under the Truth and Reconciliation Impact Plan (TRIP) across the areas of Education, Equity, and Empowerment.

Summary of progress made in 2025/26

Building on the 2023 – 2025 Accessibility Plan developed by LABC's Accessibility Committee, a progress report was published outlining implementation progress, challenges, and lessons learned. The plan was informed by the principles set out in the Accessible British Columbia Act, including inclusion, adaptability, diversity, collaboration, self-determination, and universal design. This work advances accessibility within LABC to benefit employees and clients.

LABC also advanced towards a 'proactive' stage within the Global Diversity, Equity and Inclusion Benchmarks. This included introducing an additional channel for anonymously reporting workplace bullying, harassment, and discrimination. The investigation process was also improved to reduce harm for employees involved in complaints who may be from equity-seeking groups and to lower barriers associated with fear of consequences for making a complaint.

Progress under the TRIP was advanced across the areas of Education, Equity, and Empowerment. Education focused work included, experiential and land-based learning opportunities for staff, with the number of staff who completed The Path, an online Indigenous cultural competency course, increasing from 257 to 271. Staff also increasingly incorporated learnings from experiential sessions into more personalized territorial acknowledgements and knowledge-sharing.

To advance the area of Equity, the Indigenous Community Legal Worker service in Duncan resumed in early 2026 after the position had been vacant for two years. The service had 12 active files within its first month of operation, increasing Indigenous client access to legal aid services.

Empowerment initiatives included, Indigenous Court Elder orientation and training sessions across eight of ten Indigenous Court locations, increasing the roster of Elders available to participate in sentencing panels. An additional workshop on sexually motivated offending, organized in collaboration with community partners and BCFNJC staff in response to requests from Elders and the judiciary, was attended by 48 Elders from seven court locations.

Performance measure(s) and related discussion

Performance Measure	Baseline	2024/25 Actual	2025/26 Target	2025/26 Actual
5a. Employee Equity Variance[1,2]	—	0.23	>=0	—[3]

Data source: LABC HR System and employee survey conducted by a third-part research firm.
[1]PM 5a targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as >=0.
[2]Employees are defined as full-time employees.
[3]Employee Equity Variance is a composite measure that relies on demographic data. In 2025/26, some demographic groups had small sample sizes below the minimum reporting threshold and were excluded to maintain confidentiality. As a result, the overall measure could not be calculated.

Performance Measure	Baseline	2024/25 Actual	2025/26 Target	2025/26 Actual
5b. Client Equity Variance[1]	—	1.54	>=0	—[2]

Data source: LABC client information system.
[1]PM 5b targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as >=0.
[2]Client Equity Variance is a composite measure that relies on demographic data. In 2025/26, some demographic groups had small sample sizes below the minimum reporting threshold and were excluded to maintain confidentiality. As a result, the overall measure could not be calculated.

Performance measures 5a and 5b are composite measures that rely on demographic information voluntarily shared by employees and clients.

Employee Equity Variance (5a) includes, organizational representation, hiring, retention, promotion, exits, and employee experience. Client Equity Variance (5b) includes legal service outcomes, client experience, and wait times to receive a contract.

During 2025/26, LABC continued improving how demographic information is collected and increased awareness about why this information is important. As a result, employee demographic data increased by 8%, while client demographic data increased by 22%. Disclosure rates also increased among Indigenous, cisgender women, 2SLGBTQIA+, and racialized staff.

Despite this progress, some demographic groups were still too small to meet the minimum reporting thresholds needed to protect confidentiality. As a result, LABC cannot report performance measures 5a and 5b for 2025/26.

However, some indicators that are included in the composite measure remained reportable and point to positive employee and client equity outcomes.

The reportable employee retention data indicates more positive results for employees that carry underprivileged identities, that is, Indigenous, racialized, 2SLGBTQIA+, and disabled employees, than for those that carry privileged identities, that is, White, straight, abled bodied and able minded, men, and binary confirming people, consistent with trends observed in 2024/25. The reportable employee experience survey results indicate that underprivileged groups reported slightly less positive experiences than privileged groups, consistent with the observation in 2024/25.

For clients, reportable data indicates more positive legal outcomes and service experience for underprivileged groups across most reportable client groups. Wait time results vary by area of service. Underprivileged groups received contracts sooner in criminal and family services, while wait times were higher in immigration and CFCSA services, although the differences were not significant.

Financial Report

See Appendix C for the auditor's report and audited financial statements. These documents can also be found on the Legal Aid BC website.

Discussion of Results

The following discussion of LABC's financial results for the year ending March 31, 2026, should be read in conjunction with LABC's audited financial statements, including accompanying notes. The financial statements have been prepared in accordance with the accounting requirements of section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, based on the Canadian Public Sector Accounting Standards (PSAS).

Revenue

LABC receives the majority of its revenue from the following sources: the Provincial government, the Law Foundation of British Columbia, and the Notary Foundation of British Columbia. Total revenue for 2025/26 was $171.9 million, compared with $164.3 million in 2024/25. The provincial government provides the largest portion of revenue. In 2025/26, the Provincial government provided $153.5 million, the Federal government provided $10.3 million, and other sources provided $8.1 million (2024/25: Provincial $147.2 million, Federal $10.7 million, other $6.4 million).

Government of British Columbia funding

The funding received from the provincial government is governed by a three-year Memorandum of Understanding (MOU) between LABC and the Ministry of Attorney General. The MOU outlines the roles and responsibilities of LABC and the Ministry, the types of services LABC can provide with provincial government funding, and the priorities for allocating that funding. It also defines how Criminal cases are to be categorized and funded.

There are three criminal case categories:

- **Category A:** Within the approved budget, cases for which total fees and disbursements are less than or equal to $75,000.
- **Category B:** Within the approved budget, within which a case will be accounted for where the total of the fees and disbursements exceeds $75,000 and is less than or equal to $175,000, or where it is a Court Appointed Counsel Case or a Charter Required Counsel Case. These cases are funded by a restricted contribution, and any surplus is transferred to deferred contributions. In the case of an annual shortfall in Criminal Category B cases, LABC must first apply any Category A surplus to the shortfall. LABC must then transfer funds from the Deferred Contribution Fund, if any, to offset any remaining shortfall. If a shortfall remains, LABC must enter into a discussion with the Ministry of Attorney General.

- **Category C:** Within the approved budget, a case will be accounted for where the fees and disbursements exceed $175,000, or where the case is one where the rate payable to counsel exceeds LABC's enhanced fee rate. These cases are funded through a special funding agreement with the Ministry of Attorney General.

Other Funding

Both the Law Foundation and the Notary Foundation provide annual grants to LABC. The Law Foundation and the Notary Foundation funds are not included in the MOU. The Notaries Act requires the Notary Foundation to contribute 55 percent of its revenue to LABC. The Notary Foundation provided $6.9 million to LABC in 2025/26, of which $3.7 million was recognized as deferred contributions. This compares with $9.4 million in 2024/25, of which $8.5 million was recognized as deferred contributions. Funding from the Notary Foundation for 2025/26 was deferred to the Digital Transformation Program. The Law Foundation provided $5.3 million in 2025/26 ($4.2 million in 2024/25) related to initiatives approved by its Board of Governors.

Expenses

LABC's expenses totalled $171.9 million in 2025/26, an increase of $7.6 million from 2024/25. Of the total expenses, $122.0 million was for the tariff programs, $31.5 million for salaries and benefits, $3.3 million for Premises, and $15.1 million for other costs. See Audited Financial Statements — Note 9, Expenses by object.

Tariff and Program expenses

The financial statements are prepared in accordance with Canadian PSAS, and as a result, expenses are consolidated and reported by the program. The tariff expenses reported in the financial statements include payments to the private bar, any direct service contracts, and an allocation for both public services tariff services and direct support costs.

To determine the tariff costs, LABC estimates liability for services provided by the private bar using an actuarial model. This model includes actual costs based on invoices received and estimated costs for work performed on all unbilled contracts made during the fiscal year. The tariff accrual and corresponding tariff expenses are subject to change within a range of plus or minus ten percent from the amounts recorded in the financial statements due to uncertainties regarding both timing and costs. The estimate of this level of variability is subject to many uncertainties, and the outcome of individual matters cannot be predicted with assurance. The estimated tariff liability at the end of 2025/26 is $16.1 million (2024/25 is $16.1 million).

LABC does not record a liability and related accounts receivable for certain legal services performed but not yet billed to LABC because the amount cannot be reliably estimated. For these legal cases, the related costs are fully reimbursed to LABC based on the terms of agreements with either the Province of British Columbia or the Government of Canada.

Financial Summary

($m)	2024/25 Actual	2025/26 Budget	2025/26 Actual	2025/26 Variance
Revenues				
Contributions from Provincial Government	147.2	138.6	153.5	14.9
Contributions from Federal Government	10.7	11.3	10.3	(1.0)
Other Income & Recoveries	6.4	8.4	8.1	(0.3)
Total Revenue	**164.3**	**158.3**	**171.9**	**13.6**
Expenses				
Criminal Tariff	73.9	69.2	73.1	(3.9)
Family Tariff	45.0	38.7	48.7	(10.0)
Child Protection Tariff	7.8	6.6	8.9	(2.3)
Immigration and Refugee Tariff	10.7	11.3	10.3	1.0
Justice Initiatives[1]	10.4	13.3	11.4	1.9
Community Engagement	2.2	2.3	2.2	0.1
Publications	0.5	0.5	0.5	-
Administration	13.8	16.4	16.8	(0.4)
Total Expenses	**164.3**	**158.3**	**171.9**	**(13.6)**
Surplus (Deficit)	**-**	**-**	**-**	**-**
Total Liabilities	**47.2**	**-**	**55.9**	**-**
Capital Expenditures	**3.1**	**3.7**	**4.7**	**(1.0)**
Accumulated Surplus	**0.9**	**0.9**	**0.9**	**-**

[1] Justice Initiatives include Family LawLINE, Parents Legal Centres, Family Law Centres and other justice services initiatives.
[2] The above financial information was prepared based on current Generally Accepted Accounting Principles.
[3] The financial summary is consistent with Public Sector Accounting Standards (PSAS) and section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia; expenses supporting a range of service delivery activities are allocated to those service activities.
[4] For a detailed breakdown of Administration, see Appendix C, Auditor's Report and Audited Financial Statements — Note 11, Administration expense.
[5] There may be differences between the budget figures in the Service Plan and the Audited Financial Statements due to contingency funding and other revenues adjustments not reflected in the Service Plan. The budget in the Financial Summary represents the Service Plan figures.

Variance and Trend Analysis

LABC's revenue increased by $7.6 million during the fiscal year compared to the previous year. This increase was primarily driven by additional provincial funding under the 2026 Balanced Measures Mandate, which supported compensation and tariff rate increases.

While demand for Family tariff services has been increasing over the last fiscal years, it has stabilized near the end of the fiscal year.

Risks and Uncertainties

LABC's largest risk is fluctuating service demand and costs. LABC cannot predict the demand for tariff services or the pace at which cases are billed. The ability to control costs and manage demand is critical to meeting budget targets.

The greatest tariff risk is in Criminal law, which accounts for the largest share of tariff program expenses (52%). The MOU establishes three categories of criminal cases an includes funding to help mitigate the financial risk associated with higher cost Category B and C cases.

Immigration and Refugee services are funded directly by the Department of Justice Canada and are subject to budget availability and provincial and territorial allocation. Service demand is driven by Federal policies and geopolitical events.

Capital Expenditures

Capital expenditures are required to ensure the continued operations of LABC. These expenditures include information systems, cybersecurity, lawyer billing systems, leasehold improvements, enhancements to the client experience, and office equipment. In 2025/26, $4.7million in capital work was related to completed projects within the Digital Transformation Program: the Watson Audit & Investigation System and a KPI Dashboard for Legal Operations, as well as tenant improvement costs for two subleases at the head office location. See Audited Financial Statements – Schedule 1 – Tangible Capital Assets.

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
Indigenous Justice – Work with Indigenous communities and leadership consistent with the BC First Nations Justice Strategy and Metis Justice Strategy to reduce Indigenous overrepresentation in the justice system and promote safety and security in Indigenous communities across the province.	• LABC's Truth and Reconciliation department continues to invest in and develop culturally appropriate services for Indigenous clients through work with the BCFNJC and MNBC, support for Indigenous Courts, including providing dedicated duty counsel, supporting Elder training, and training for LABC staff in Indigenous cultural awareness and anti-racism. • Please refer to content within Goal 3, Objective 3.2 and Goal 5 of this Annual Service Plan Report for an additional overview of progress made on this priority.
Family Law – Work with the Ministry of Attorney General, affected ministries and stakeholders to identify the best ways and tools to improve access to justice for low income families. This includes the continued implementation of the family legal aid expansion, and support for the expansion of the Early Resolution Process and any related strategies or initiatives.	• Please refer to content within Goal 1, Objective 1.1 – Summary of progress made in 2025/26 for an overview of progress on this priority.
Justice Innovation – Work with Ministry of Attorney General, affected ministries and relevant stakeholders to align legal aid service delivery approaches with transformative changes in the justice sector focussed on efficient, timely and accessible legal services, leveraging technology and new efficiencies where possible.	• Please refer to content within Goal 4, Objective 4.2 for an overview of progress made on this priority.
Sustainable Service Delivery - Take actions to build a sustainable supply of skilled and committed legal professionals who can deliver high-quality legal services to legal aid clients over the long term, including leveraging opportunities presented by the new Legal Professions Act, and opportunities for multidisciplinary service delivery.	• This is an ongoing priority on which LABC continues to make progress.

Appendix B: Other Performance Highlights

Representation Contracts Issued

This table shows the number of contracts issued (contract count) for representation services, by contract issued date.

Area of Law	Contract Count		
	2023/24	2024/25	2025/26
Criminal	23,039	23,129	22,442
Family[1]	7,864	9,162	9,050
CFCSA[2, 3]	2,174	2,211	2,384
Immigration	5,006	4,025	3,180
Appeals of Administrative Tribunal Decisions[4]	35	23	26
Total	38,118	38,550	37,083

* All volumes in this table reflect both standard and appeal contracts (based on contract issued date).

1 Includes FLC cases and contracts referred to the private bar.

2 LABC provides services to eligible clients facing child protection issues under the CFCSA.

3 Includes PLC cases and contracts referred to the private bar.

4 These are judicial appeals and prerogative writ applications that do not fit strictly into other areas of law but involve a challenge to the applicant's liberty or security. Most are prison law cases, but some mental health law cases and cases involving liberty interests are included.

Legal Aid Applications

This table shows the number of applications for representation services (service requests) by interview date, and the percentage of those applications that were approved.

Area of Law	2023/24		2024/25		2025/26	
	Service Requests	Percentage Approved	Service Requests	Percentage Approved	Service Requests	Percentage Approved
Criminal	22,021	86.8%	22,105	86.7%	22,154	84.0%
Family	9,087	65.4%	10,464	65.6%	11,022	62.8%
CFCSA[1, 2]	2,317	74.7%	2,488	71.8%	2,745	71.0%
Immigration	5,448	85.4%	4,747	73.6%	4,252	66.8%

Area of Law	2023/24		2024/25		2025/26	
	Service Requests	Percentage Approved	Service Requests	Percentage Approved	Service Requests	Percentage Approved
Appeals of Administrative Tribunal Decisions[3]	96	27.1%	73	19.2%	123	13.0%
Total	38,969	80.7%	39,877	78.5%	40,295	75.3%

[*] All volumes in this table reflect both standard and appeal service requests (based on interview date). An individual applicant may make more than one application during the year being reported on.

[1] LABC provides services to eligible clients facing child protection issues under the CFCSA.

[2] Includes PLC cases and contracts referred to the private bar.

[3] These are judicial appeals and prerogative writ applications that do not fit strictly into other areas of law but involve a challenge to the applicant's liberty or security. Most are prison law cases, but some mental health law cases and cases involving liberty interests are included.

Legal Advice Services

LABC offers a wide variety of advice services. These services help us support clients when they do not meet the eligibility requirements for legal representation. We make it easier for clients to access legal aid by providing advice by phone and by situating duty counsel lawyers in courthouses.

	2023/24	2024/25	2025/26
Criminal Advice Services			
Criminal duty counsel client assists[1]	66,384	65,343	63,072
Indigenous Court duty counsel client assists[2]	693	567	726
Brydges Line calls handled	20,250	20,120	20,827
Family Advice Services			
Family duty counsel client assists[1]	26,143	28,828	28,082
Family LawLINE unique clients[3]	3,903	3,786	2,792
Immigration Advice Services			
Immigration duty counsel client assists[1]	1,469	1,446	1,511

[1] Client assists represents the number of times clients have been assisted, rather than the unique number of clients. An individual client can receive services multiple times.

[2] Data is also included in the criminal duty counsel client-assisted data.

[3] For 2022/23 and 2023/24, the number of LawLINE unique clients were reported. For 2024/25 going forward, the number of LawLINE assists is reported, as these better represent the volume of services provided.

Appendix C: Auditor's Report and Audited Financial Statements

Financial statements of

Legal Aid BC

March 31, 2026

Legal Aid BC
March 31, 2026

Table of contents

Management's Report

Management's Responsibility for the Legal Aid BC Financial Statements

The financial statements of Legal Service Society, which is referred to in these financial statements under its operating name of Legal Aid BC as at and for the year ended March 31, 2026 (the "financial statements") have been prepared by management in accordance with Section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information in the financial statements. A summary of the significant accounting policies is described in Note 2 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.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are 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 the preparation of the financial statements.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Finance Committee. The Board of Directors reviews internal financial statements on a quarterly basis and external audited financial statements yearly. The Board of Directors also discusses any significant financial reporting or internal control matters prior to their approval of the financial statements.

The external auditors, Deloitte LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the annual financial statements. The external auditors have full and free access to the financial records of Legal Aid BC and meet with management and the Board of Directors when required. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of Legal Aid BC

Steven Veinot
Vice President, Corporate Services & Chief Financial Officer

Deloitte LLP
410 West Georgia Street
Vancouver BC V6Z 1L3
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Independent Auditor’s Report

To the Directors of Legal Aid BC

Opinion

We have audited the financial statements of Legal Aid BC (the “Society”), which comprise the statement of financial position as at March 31, 2026, and the statements of operations and accumulated surplus, changes in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements of the Society for the year ended March 31, 2026 are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards (“Canadian GAAS”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Society in complying with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, 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 Society’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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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 GAAS 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 these financial statements.

As part of an audit in accordance with Canadian GAAS, 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 Society'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 Society'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 Society 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.

We 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.

Deloitte LLP

Chartered Professional Accountants
June 4, 2026
Vancouver, British Columbia

Statement of financial position

as at March 31, 2026

		2026		2025
Financial assets				
Cash and Cash Equivalents *(note 16)*	$	**27,695,120**	$	**26,349,917**
Accounts receivable *(note 16)*				
Government of British Columbia *(note 13)*		**13,526,395**		**5,794,783**
Government of Canada		**1,597,966**		**1,619,130**
Other		**4,291,703**		**8,187,790**
Total financial assets		**47,111,184**		**41,951,620**
Liabilities				
Accounts payable and accrued liabilities *(note 16)*				
General *(note 4a)*		**5,115,610**		**3,478,511**
Tariff *(note 4b)*		**23,382,459**		**20,082,337**
Deferred Contributions *(note 8)*		**26,982,788**		**23,111,833**
Employee future benefits *(notes 5(b) and 16)*		**186,700**		**174,700**
Long-term liabilities *(notes 6 and 16)*		**236,113**		**360,373**
Total liabilities		**55,903,670**		**47,207,754**
Net debt		**(8,792,486)**		**(5,256,134)**
Non-financial assets				
Tangible capital assets *(Schedule 1)*		**9,204,427**		**5,750,781**
Prepaid expenses		**527,526**		**444,820**
Total non-financial assets		**9,731,953**		**6,195,601**
Accumulated surplus *(note 7)*	$	**939,467**	$	**939,467**
Contractual obligations *(note 12)*				
Economic dependence *(note 14)*				
Contingent liabilities *(note 15)*				

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

Approval of the financial statements by:

Tom Arbogast
Chair of the Board of Directors

Sarf Ahmed
Chair of the Finance & Technology Committee

Statement of operations and accumulated surplus

for the year ended March 31, 2026

	Budget *(note 11)*	**2026**	**2025**
Revenue			
Government of British Columbia *(notes 8 and 13)*	$ 143,809,000	**$ 153,517,514**	**$ 147,233,982**
Federal Government	11,340,000	**10,347,464**	**10,719,650**
Law Foundation	5,180,000	**5,257,741**	**4,199,191**
Department of Justice — Canada	—	**—**	**9,110**
Notary Foundation	984,500	**1,029,100**	**—**
Investment	1,200,000	**996,852**	**1,279,890**
Miscellaneous	995,000	**741,408**	**869,708**
Total revenue	163,508,500	**171,890,079**	**164,311,531**
Expenses *(notes 9, 13)*			
Criminal tariff	69,520,694	**73,071,566**	**73,853,707**
Family tariff	44,047,281	**48,720,104**	**44,989,564**
Child protection tariff	6,663,511	**8,894,217**	**7,813,849**
Immigration and refugee tariff	11,338,406	**10,347,464**	**10,719,658**
Justice Initiatives *(note 10 a)*	13,297,700	**11,355,033**	**10,440,234**
Publications	485,115	**510,774**	**538,141**
Community engagement	2,312,285	**2,237,203**	**2,210,103**
Administration *(note 10 b)*	15,843,508	**16,753,718**	**13,746,275**
Total expenses	163,508,500	**171,890,079**	**164,311,531**
Surplus / (Deficit) for the year	—	**—**	**—**
Accumulated surplus at beginning of year	939,467	**939,467**	**939,467**
Accumulated surplus at end of year *(note 7)*	$ 939,467	**$ 939,467**	**$ 939,467**

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

Statement of changes in net debt

for the year ended March 31, 2026

	Budget *(note 11)*	2026	2025
Surplus / (Deficit) for the year	$ —	$ —	—
Acquisition of tangible capital assets	(9,346,000)	**(4,737,649)**	**(3,138,845)**
Amortization	2,087,619	**1,284,002**	**1,118,205**
	(7,258,381)	**(3,453,647)**	**(2,020,640)**
Acquisition of prepaid expenses	—	**(554,598)**	**(539,322)**
Use of prepaid expenses	—	**471,893**	**470,714**
	—	**(82,705)**	**(68,608)**
Increase in net debt	(7,258,381)	**(3,536,352)**	**(2,089,248)**
Net debt at beginning of year	(5,256,134)	**(5,256,134)**	**(3,166,886)**
Net debt at end of year	(12,514,515)	**(8,792,486)**	**(5,256,134)**

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

Statement of cash flows

for the year ended March 31, 2026

	2026	2025
Cash provided by (applied to) operating activities		
Deficit for the year	$ —	$ —
Items not involving cash:		
Amortization	1,284,002	1,118,205
Long-term liabilities	(124,260)	(126,010)
Changes in non-cash working capital:		
Accounts receivable	(3,814,361)	(787,761)
Accounts payable, accrued liabilities and deferred contributions	8,808,177	11,921,505
Prepaid expenses	(82,706)	(68,607)
Employee future benefits	12,000	(8,300)
Total change from Operating activities	6,082,852	12,049,032
Cash applied to capital activities		
Purchase of tangible capital assets	(4,737,649)	(3,138,845)
Total change from Capital activities	(4,737,649)	(3,138,845)
Increase in cash	1,345,203	8,910,187
Cash and Cash Equivalents at beginning of year	26,349,917	17,439,730
Cash and Cash Equivalents at end of year	$ 27,695,120	$ 26,349,917
Supplemental disclosure of non-cash transactions		
Deferred contributions not yet received	$ 3,140,000	$ 5,290,000

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

Notes to the Financial Statements
for the year ended March 31, 2026

1. Nature of Operations

The Legal Services Society, referred to in these financial statements under its operating name of Legal Aid BC, was established under the *Legal Services Society Act*. In addition to the *Legal Services Society Act*, a Memorandum of Understanding ("MOU") with the Province of British Columbia outlines the roles, budget, planning processes, and prioritization for allocating funding. The purpose of Legal Aid BC is to:

- assist eligible individuals in resolving their legal problems and facilitate access to justice,
- establish and administer an effective and efficient system for providing legal aid to individuals in British Columbia and
- provide advice to the Attorney General respecting legal aid and access to justice for individuals in British Columbia.

Legal Aid BC is governed by a Board of Directors, of which five are appointed by the Province of British Columbia, and four are appointed by the Law Society of British Columbia. While Legal Aid BC operates independently from the Province of British Columbia and the Law Society of British Columbia, it is accountable to the Ministry of Attorney General for the expenditure of funds and for providing criminal, family, and child protection legal aid services to meet the needs of low-income individuals. Legal Aid BC also has an agreement with the Government of Canada to provide legal aid services for clients with immigration and refugee needs.

2. Basis of presentation

These financial statements are prepared by management in accordance with the accounting requirements of section 23.1 of the *Budget Transparency and Accountability Act*. This section requires government organizations' accounting policies and practices to conform to generally accepted accounting principles for senior governments in Canada, as modified by any alternative standard or guideline made by the Treasury Board.

In November 2011, a Treasury Board regulation was issued that requires taxpayer-supported organizations to adopt the accounting policies for restricted contributions described in note 3(a). These accounting policies significantly differ from Canadian Public Sector Accounting Standards ("PSAS"), which require government transfers with stipulations to be recognized as revenue when the transfer is authorized. All eligibility criteria have been met, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability. Such liability is reduced, and an equivalent amount of revenue is recognized as the liability is settled.

2. Basis of presentation (continued)

The accounting policy described in note 3(a) is different from PSAS with respect to the timing of revenue recognition for government transfers. The impact on the financial statements of Legal Aid BC as of and for the year ended March 31, 2026, is significant as aggregate contributions of $26,982,788 (2025 - $23,111,833) have been deferred.

3. Significant accounting policies

(a) Revenue recognition

Revenues are recognized in the period in which the transactions or events that give rise to the revenues occur. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers received to develop or acquire a depreciable tangible capital asset are deferred and recognized as revenue at the same rate as the amortization and any impairment of the tangible capital asset. Other government transfers are recognized as revenue in the period they are authorized, when any eligibility criteria are met, and when any stipulation or restriction the transfer is subject to is met.

Restricted contributions received or receivable are deferred and amortized into revenue as the related expenses are incurred.

(b) Expenses

Expenses are reported on an accrual basis. The cost of services incurred during the year is expensed.

(c) Tariff expenses

Tariff expenses include amounts billed by lawyers and an estimate of services performed by lawyers, but not yet billed to Legal Aid BC.

(d) Employee future benefits

Legal Aid BC employees belong to the Municipal Pension Plan ("MPP"), a multi-employer, jointly-trusted pension plan following defined-contribution pension plan accounting. Legal Aid BC expenses the employer contributions as incurred.

The cost of non-vested sick leave benefits is actuarially determined using the projected benefit method and management's best estimate of salary escalation, future utilization of the benefits, long-term inflation rates, and discount rates.

(e) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts directly related to the acquisition, design, construction, development, improvement, or betterment of the asset.

The estimated useful lives of assets are reassessed on an annual basis. Tangible capital assets are amortized on a straight-line basis over the estimated useful life of the asset as follows:

3. Significant accounting policies (continued)

Assets	Per year
Furniture	10 – 20%
Equipment	20%
Computer equipment	25 – 33%
Computer software	20 – 33%
Client Information System	20%
Leasehold improvements	Lower of lease term and useful life

Tangible capital assets are written down when conditions indicate that they no longer contribute to Legal Aid BC's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets is less than their net book value. The net write-downs (if any) are accounted for as expenses in the statement of operations.

(f) Lease inducements

Lease inducements are recognized on a straight-line basis over the lease term as a reduction in premises expense.

(g) Prepaid expenses

Prepaid expenses include computer software licenses and deposits. These items are charged to expense over the periods expected to benefit from them.

(h) Financial instruments

Legal Aid BC's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities. Accounts receivable, accounts payable and accrued liabilities are initially recorded at fair value and subsequently measured at cost. Investments, which may comprise guaranteed investment certificates, provincial bonds, corporate bonds, and structured bank notes, are initially recorded at fair value and subsequently measured at amortized cost. Any premium or discount related to a financial instrument measured at amortized cost is amortized over the expected life of the instrument using the effective interest method.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

The fair values of Legal Aid BC's cash, accounts receivable, accounts payable, and accrued liabilities generally approximate their carrying amounts due to their short term to maturity.

3. Significant accounting policies (continued)

(i) Measurement uncertainty

Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Areas where estimates are significant to the financial statements include the tariff liabilities and expenses (note 17). Other areas where estimates are made include allowances for doubtful accounts receivable, estimated useful lives of tangible capital assets and the resulting amortization, non-vested sick leave benefits, and contingent liabilities.

Estimates are based on the best information available when financial statements are prepared and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from those estimates.

4. Accounts payable and accrued liabilities

(a) General

	2026	2025
Trade payables	**$ 2,776,375**	**$ 1,471,239**
Payroll payables	**2,339,235**	**2,007,272**
Total	**$ 5,115,610**	**$ 3,478,511**

(b) Tariff

	2026	2025
Submittals approved, not paid	**$ 1,369,482**	**$ 1,395,531**
Submittals not approved	**5,907,580**	**2,620,860**
Accrual *(note 17)*	**16,105,397**	**16,065,946**
Total	**$ 23,382,459**	**$ 20,082,337**

Legal Aid BC uses an actuarial model to estimate legal services performed but not billed to Legal Aid BC. Management estimated this liability to be approximately $16,105,397 (2025 - $16,065,946). This estimate, included in the above table, incorporates average case costs and service billings for similar cases, based on historical experience over two years. Actual costs could differ from this estimate (notes 3(i) and 17).

4. Accounts payable and accrued liabilities (continued)

Legal Aid BC does not record a liability and related accounts receivable for certain legal services performed but not yet billed, as the amount cannot be estimated reliably. For these legal cases, the related costs are fully reimbursed to Legal Aid BC based on the terms of agreements with either the Province of British Columbia or the Government of Canada.

5. Employee future benefits

(a) Pension plan

Legal Aid BC and its employees contribute to the Municipal Pension Plan (“MPP”) (jointly trusteed pension plan), a multi-employer defined benefit pension plan in accordance with the *Pension (Municipal) Act*.

An actuarial valuation is performed every three years to assess the MPP's financial position and funding adequacy.

The most recent valuation, conducted as of December 31, 2024, showed that the MPP carried a surplus of $2.68 billion. The next valuation for the MPP will be as of December 31, 2027, with results available in 2028.

Legal Aid BC paid $2,020,983 (2025 — $1,583,755) for employer contributions to the MPP during the year ended March 31, 2026.

(b) Non-vested sick leave

Employees are credited with ten days per year, for use as paid absences in the year due to illness or injury. Employees can accumulate unused sick day credits each year, up to the allowable maximum provided in their respective employment agreements.

Accumulated credits may be used in future years if the employee’s illness or injury exceeds the current year’s allocation of credits. The use of accumulated sick days for sick leave compensation ceases on termination of employment, and the employee’s unused sick bank is not paid out at retirement. The benefit-cost and liabilities related to the plan are included in the financial statements.

6. Long-term liabilities

Lease inducements

Lease inducements were provided under an operating lease by the property owner to finance tenant improvements.

	2026	2025
Leasehold inducements	**$ 236,113**	**$ 360,373**
Less: current portion	**(124,260)**	**(124,260)**
Long-term portion	**$ 111,853**	**$ 236,113**

7. Accumulated surplus

The accumulated surplus is restricted by the *Legal Services Society Act* and approval by the Board of Directors.

8. Restricted contributions

2026

	Opening deferred contribution	Approved budget	Additional contributions	Recognized in operations	Closing deferred contribution
Government of British Columbia — Category B	$ —	$ 3,292,000	$ 1,508,125	$ 4,800,125	$ —

2025

	Opening deferred contribution	Approved budget	Additional contributions	Recognized in operations	Closing deferred contribution
Government of British Columbia — Category B	$ —	$ 3,292,000	$ 1,764,254	$ 5,056,254	$ —

Legal Aid BC's Memorandum of Understanding (MOU) with the Ministry of the Attorney General provides restricted funding for exceptional matters commencing with the 2003 fiscal year. The MOU was renewed effective April 1, 2020, and clarifies criminal case classification and funding of these cases.

There are now three categories:

- **Category A:** Within the approved budget, within which a case will be accounted for, where the total of the fees and disbursements is less than or equal to $75,000.
- **Category B:** Within the approved budget within which a case will be accounted for, where the total of the fees and disbursements exceeds $75,000 and is less than or equal to $175,000, or where it is a court-appointed counsel case or a charter-required counsel case.

8. Restricted contributions (continued)

A restricted contribution funds these cases, and any surplus is transferred to deferred contributions. In the case of an annual shortfall in Criminal Category B cases, Legal Aid BC must first apply any eligible base criminal tariff surplus to the shortfall and then to deferred contributions.

- **Category C:** Within the approved budget within which a case will be accounted for, where the total fees and disbursements exceed $175,000, or where the case is one where the rate payable to counsel exceeds Legal Aid BC's enhanced fee rate. These cases are funded through a special funding agreement with the Ministry of Attorney General.

In addition to the contributions described above, in 2026, Legal Aid BC recognized and deferred contributions of $3,870,955 (2025 - $9,304,509) related to projects for which the associated expenditure has not yet occurred.

9. Expenses by object

The following is a summary of expenses by object:

	2026 Budget	2026 Actual	2025 Actual
Lawyer fees	$ 84,083,379	$ 93,679,435	$ 88,435,770
Duty counsel fees	18,087,198	17,369,662	17,265,806
Disbursements	9,627,263	10,970,932	10,341,502
Total tariff costs	**111,797,840**	**122,020,029**	**116,043,078**
Salaries and benefits	32,084,733	31,548,917	27,384,544
Grants and contracted services	7,232,903	6,996,076	9,751,239
Computers	2,885,127	3,147,328	3,247,272
Premises	3,695,706	3,319,562	3,196,941
Local agents	1,669,550	1,617,494	1,601,007
Amortization	2,087,619	1,284,002	1,118,205
Office	875,417	1,025,987	886,046
Miscellaneous	149,250	91,252	181,187
Board expenses	362,120	210,979	339,451
Travel	668,235	628,453	562,561
Total	**$ 163,508,500**	**$ 171,890,079**	**$ 164,311,531**

10. Expense Details

(a) Justice Initiatives expense

The Justice Initiative expense includes the following expenditures in support of legal aid:

	2026	2025
Family Early Resolution	$ 957,371	$ 545,340
Family Law Centers	3,886,232	3,436,602
Family Law Line	440,844	408,235
Parents Legal Centers	6,070,586	6,050,057
Total	**$ 11,355,033**	**$ 10,440,234**

(b) Administration expense

The administration expense includes the following expenditures in support of legal aid:

	2026	2025
Executive Office	$ 2,027,574	$ 2,481,798
Finance and Office Services	4,308,759	3,022,353
Strategic Policy, Planning and Human Resources	3,675,879	2,138,868
IT Operation Services	3,368,237	3,017,908
Truth and Reconciliation	1,316,316	1,000,329
Office Lease	2,056,953	2,085,020
Total	**$ 16,753,718**	**$ 13,746,275**

11. Budgeted figures

The operating budgeted figures, presented on a basis consistent with that used for actual results, were approved by the Board of Directors on May 1, 2025, submitted to the Ministry of Attorney General on May 5, 2025, and were approved on May 30, 2025.

12. Contractual obligations

Legal Aid BC has the following contractual obligations.

	Premises leases	Operating costs	Total
2027	$ 2,113,558	$ 8,980,500	**$ 11,094,058**
2028	2,007,777	63,180	**2,070,957**
2029	1,518,762	56,590	**1,575,352**
2030	1,068,145	50,000	**1,118,145**
Thereafter	-	50,000	**50,000**
Total	**$ 6,708,242**	**$ 9,200,270**	**$ 15,908,512**

Operating costs are service delivery contracts that are renewed over several years.

At year-end, management estimates the liability for the future costs of legal services to be performed beyond the fiscal year, for which Legal Aid BC is currently committed, to be approximately $62.5 million (2025 — $55.1 million). This estimate uses the same methodology described in note 5 for tariff payables.

13. Related parties

Legal Aid BC is related to the Province of British Columbia and its ministries, agencies, and Crown corporations. In this relationship, the province provided funding in the amount of $153,517,514 (2025 — $147,233,982), and Legal Aid BC is responsible for providing legal aid to individuals throughout British Columbia. At year-end, the province owed Legal Aid BC $13,526,395 (2025 — $5,794,783).

Certain members of the Board of Directors provide tariff services to the Legal Aid BC. These services are provided in the regular course of business under the same terms and conditions as other lawyers. The total amount paid for their services during the year was $558,825 (2025 — $349,058). All payments to Board members are reviewed by the finance committee on a quarterly basis.

14. Economic dependence

In 2026, Legal Aid BC received 89% (2025— 90%) of its total revenue from the Province of British Columbia.

15. Contingent liabilities

The nature of Legal Aid BC’s activities is such that there is usually pending or prospective litigation against Legal Aid BC at any time. With respect to claims on March 31, 2026, management believes Legal Aid BC has valid defenses and appropriate insurance coverage in place. Accordingly, no provision has been made in these financial statements for any liability that may result. If any of these claims are successful, management believes they will not have a material effect on Legal Aid BC's financial position or results from operations.

16. Risk management

Credit risk

Credit risk is the risk of loss resulting from the failure of an individual or group to honour their financial obligations. Legal Aid BC accounts receivable are due primarily from government organizations and other organizations with limited credit risk. Legal Aid BC cash is held at Canadian chartered banks and financial institutions. In management's opinion, Legal Aid BC is not exposed to significant credit risk.

Legal Aid BC regularly assesses the collectability of its receivables. At year-end, no significant accounts receivable were past due or impaired. To the extent Legal Aid BC identifies an account where the collection is doubtful, an allowance will be recorded as appropriate.

Legal Aid BC's maximum exposure to credit risk is represented by aggregate financial assets of $47,111,184 (2025 - $41,951,620).

Liquidity risk

Liquidity risk is the risk that Legal Aid BC will not be able to meet its financial obligations as they fall due. Legal Aid BC's approach to managing liquidity risk is to ensure that it will have sufficient working capital and cash flow to fund operations and settle liabilities when due. Additionally, Legal Aid BC has a line of credit available with a maximum authorized limit of up to $1.0 million with a Canadian chartered bank. The interest rate per annum is the bank's prime rate.

As of March 31, 2026, Legal Aid BC has $nil drawn against this line (2025 — $nil).

The maturity of Legal Aid BC's financial assets and liabilities as at year-end was as follows:

2026

	On demand	Up to 1 year	1 to 3 years	Total
Financial assets				
Cash	$ 27,695,120	$ -	$ -	$ 27,695,120
Accounts receivable	$ -	$ 19,416,064	$ -	$ 19,416,064
Total financial assets	**$ 27,695,120**	**$ 19,416,064**	**$ -**	**$ 47,111,184**
Liabilities				
Accounts payable and accrued liabilities	$ -	$ 12,392,672	$ -	$ 12,392,672
Tariff accrual	$ -	$ 16,105,397	$ -	$ 16,105,397
Other liabilities	$ -	$ 27,293,748	$ 111,853	$ 27,405,601
Total liabilities	**$ -**	**$ 55,791,817**	**$ 111,853**	**$ 55,903,670**

16. Risk management (continued)

Liquidity risk (continued)

2025

	On demand	Up to 1 year	1 to 3 years	Total
Financial assets				
Cash	$ 26,349,917	$ -	$ -	$ 26,349,917
Accounts receivable	$ -	$ 15,601,703	$ -	$ 15,601,703
Total financial assets	**$ 26,349,917**	**$ 15,601,703**	**$ -**	**$ 41,951,620**
Liabilities				
Accounts payable and accrued liabilities	$ -	$ 7,494,903	$ -	$ 7,494,903
Tariff accrual	$ -	$ 16,065,946	$ -	$ 16,065,946
Other liabilities	$ -	$ 23,410,792	$ 236,113	$ 23,646,905
Total liabilities	**$ -**	**$ 46,971,641**	**$ 236,113**	**$ 47,207,754**

Market risk

Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk.

(a) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Legal Aid BC is not exposed to significant currency risk.

(b) Interest rate risk

Interest rate risk is the risk that Legal Aid BC's cash flow will change due to future fluctuations in market interest rates. A change of 1% in market interest rates would impact interest revenue by approximately $270,000.

(c) Other price risk

Another price risk is the risk that a financial instrument's fair value or future cash flow will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). Legal Aid BC is not exposed to significant other price risk.

17. Measurement uncertainty

Program area		**Amount reported**	**Measurement uncertainty**	**Range**
Tariff accrual (*note 4b*)	Min	$ 16,105,397	(1,610,540)	$ 14,494,857
	Max	$ 16,105,397	1,610,540	$ 17,715,937
Tariff and transcript expenses (*note 9*)	Min	$ 122,020,029	(1,610,540)	$ 120,409,489
	Max	$ 122,020,029	1,610,540	$ 123,630,569

Variability in the tariff accrual can arise from the rate at which cases proceed and unanticipated changes in the average cost per case. In management's opinion, the tariff accrual and corresponding tariff expenses are subject to change within a range of plus or minus ten percent from the amounts recorded in these financial statements due to uncertainties regarding both timing and costs. The estimate of this level of variability is subject to many uncertainties, and the outcome of individual matters is not predictable with assurance.

Schedule 1 – Tangible Capital Assets

2026

Cost

($000)	Balance, beginning of the year	Additions[1]	Disposals	Balance, end the of year
Furniture	**1,107**			**1,107**
Equipment	**688**			**688**
Computer equipment	**1,396**			**1,396**
Computer software	**9,182**	**3,723**		**12,905**
Client Information System	**5,811**			**5,811**
Leasehold improvements	**3,993**	**1,014**		**5,007**
Total	**22,177**	**4,737**		**26,914**

[1]Computer software additions represent work in progress and therefore are not amortized in the current fiscal year.

Accumulated amortization

($000)	Balance, beginning of the year	Additions	Disposals	Balance, end the of year
Furniture	**(1,107)**			**(1,107)**
Equipment	**(688)**			**(688)**
Computer equipment	**(1,385)**	**(11)**		**(1,396)**
Computer software	**(4,267)**	**(924)**		**(5,191)**
Client Information System	**(5,811)**			**(5,811)**
Leasehold improvements	**(3,168)**	**(349)**		**(3,517)**
Total	**(16,426)**	**(1,284)**		**(17,710)**

Net Book Value

($000)	2026	2025
Furniture	-	-
Equipment	-	-
Computer equipment	-	11
Computer software	7,714	4,915
Client Information System	-	-
Leasehold improvements	1,490	825
Total	9,204	5,751

Schedule 1 – Tangible Capital Assets (continued)

2025

Cost

($000)	Balance, beginning of the year	Additions[1]	Disposals	Balance, end the of year
Furniture	**1,107**			**1,107**
Equipment	**688**			**688**
Computer equipment	**1,396**			**1,396**
Computer software	**6,143**	**3,039**		**9,182**
Client Information System	**5,811**			**5,811**
Leasehold improvements	**3,893**	**100**		**3,993**
Total	**19,038**	**3,139**		**22,177**

[1]Computer software additions represent work in progress and therefore are not amortized in the current fiscal year.

Accumulated amortization

($000)	Balance, beginning of the year	Additions	Disposals	Balance, end the of year
Furniture	**(1,107)**			**(1,107)**
Equipment	**(688)**			**(688)**
Computer equipment	**(1,361)**	**(24)**		**(1,385)**
Computer software	**(3,597)**	**(670)**		**(4,267)**
Client Information System	**(5,811)**			**(5,811)**
Leasehold improvements	**(2,743)**	**(425)**		**(3,168)**
Total	**(15,307)**	**(1,119)**		**(16,426)**

Net Book Value

($000)	2025	2024
Furniture	**-**	**-**
Equipment	**-**	**-**
Computer equipment	**11**	**34**
Computer software	**4,915**	**2,546**
Client Information System	**-**	**-**
Leasehold improvements	**825**	**1,150**
Total	**5,751**	**3,730**