



Finance, Corporate Services
Suite 400 P: 604-601-6000
510 Burrard Street
Vancouver BC V6C 3A8

July 31, 2023

Debbie Faykes
Financial Management and Administration, Ministry of Attorney General and Solicitor General
PO Box 9249, Stn Prov Govt
Victoria, BC V8W 9J2

Dear Ms. Faykes,

Please find enclosed the Legal Services Society's financial information for the year ended March 31, 2023, which includes:

1. The FIA compliance checklist;
2. Management Report;
3. Statement of Financial Information Approval;
4. The audited Financial Statements and notes;
5. A reconciliation of the schedule of suppliers of goods and services to the Financial Statements;
6. A schedule of payments to suppliers of goods and services;
7. A schedule of employee remuneration and expenses;
8. A schedule of Board of Directors' remuneration and expenses;
9. A statement of grants;
10. A statement of debts;
11. A statement of guarantees and indemnities; and
12. A statement of severance agreements

If you have any questions or need further information, feel free to contact me at 604-601-6047.

Sincerely,

A handwritten signature in black ink, appearing to be "S. Veinot".

Steven Veinot
Chief Financial Officer

Cc Lisa Scott, Chair, Finance Committee, Legal Services Society
Wendy Jackson, Executive Director, Legal Access Policy Division, Ministry of Attorney General

Financial Information Act
Financial Information Regulation (FIR), Schedule 1

Statement of Financial Information (SOFI)
Index to FIR Schedule 1 and the Checklist

Page 1: Corporation Information

Ministry Information

General: Section One

- 1(1)(a) Statement of assets and liabilities
- 1(1)(b) Operational statement
- 1(1)(c) Schedule of debts
- 1(1)(d) Schedule of guarantee and indemnity agreements
- 1(1)(e) Schedule of employee remuneration and expenses
- 1(1)(f) Schedule of suppliers of goods and services
- 1(2) [Explanatory information for reference]
- 1(3) Statements prepared on a consolidated basis or for each fund
- 1(4) & (5) Notes to the statements and schedules in section 1(1)

Page 2: Statement of Assets & Liabilities: Section Two

- 2 Balance sheet
- Changes in equity and surplus or deficit

Operational Statement: Section Three

- 3(1) Statement of Income / Statement of Revenue and Expenditures
- Statement of Changes in Financial Position
- 3(2) & (3) Omission of Statement of Changes in Financial Position, with explanation
- 3(4) Requirement for community colleges, school districts and municipalities

Statement of Debts: Section Four

- 4(1)(a) & 4(2) List and detail the schedule of long-term debts
- 4(1)(b) Identify debts covered by sinking funds / reserves
- 4(3) & (4) Omission of schedule, with explanation

Page 3: Schedule of Guarantee and Indemnity Agreements: Section Five

- 5(1) List agreements under the Guarantees and Indemnities Regulation
- 5(2) State the entities and amounts involved
- 5(3) & (4) Omission of schedule, with explanation

Page 3 & 4: Schedule of Remuneration and Expenses: Section Six

- 6(1) [Definitions for reference]
- 6(2)(a) List remuneration / expenses for each elected official, member of board, Cabinet appointees
- 6(2)(b) List each employee with remuneration exceeding \$75,000, plus expenses
- 6(2)(c) Consolidated total for all employees with remuneration of \$75,000 or less
- 6(2)(d) Reconcile difference in total remuneration above with operational statement
- 6(3) Exclude personal information other than as required

Page 3 & 4: Schedule of Remuneration and Expenses: Section Six (continued)

- 6(4) & (5) [Explanatory information for reference]
- 6(6) Report employer portion of EI and CPP as a supplier payment
- 6(7)(a) & (b) Statement of severance agreements
- 6(8) Explain an omission of statement of severance agreements
- 6(9) [Statement of severance agreements to minister – not required unless requested]

Page 4: Schedule of Suppliers of Goods or Services: Section Seven

- 7(1)(a) List suppliers receiving payments exceeding \$25,000
- 7(1)(b) Consolidated total of all payments of \$25,000 or less
- 7(1)(c) Reconcile difference in total above with operational statement
- 7(2)(a) [Explanatory information for reference]
- 7(2)(b) Statement of payments of grants or contributions
- 7(2)(c) [Explanatory information for reference]

Page 5: Inactive Corporations: Section Eight

- 8(1) Ministry to report for inactive corporations
- 8(2)(a) Contents of report – statements and schedules under section 1(1) to extent possible
- 8(2)(b) Contents of report – operational status of corporation

Approval of Financial Information: Section Nine

- 9(1) Approval of SOFI for corporations (other than municipalities)
- 9(2) Approval of SOFI for municipalities
- 9(3) Management report
- 9(4) Management report must explain roles and responsibilities
- 9(5) Signature approval is for all contents of the SOFI

Access to the Financial Information: Section Ten

- 10(1) to (3) [Explanatory information for reference]

Financial Information Regulation, Schedule 1

Checklist – Statement of Financial Information (SOFI)

For the Corporation:

Corporate Name: Legal Services Society Contact Name: Steven Veinot
 Fiscal Year End: March 31, 2023 Phone Number: (604) 601-6024
 Date Submitted: July 31, 2023 E-mail: steven.veinot@legallaid.bc.ca

For the Ministry:

Ministry Name: _____ Reviewer: _____
 Date Received: _____ Deficiencies: Yes No
 Date Reviewed: _____ Deficiencies Addressed: Yes No
 Approved (SFO): _____ Further Action Taken: _____

Distribution: Legislative Library Ministry Retention

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
General					
1 (1) (a)	Statement of assets and liabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (b)	Operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (c)	Schedule of debts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (d)	Schedule of guarantee and indemnity agreements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (e)	Schedule of employee remuneration and expenses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (f)	Schedule of suppliers of goods and services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (3)	Statements prepared on a consolidated basis or for each fund, as appropriate	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
1 (4) 1 (5)	Notes to the financial statements for the statements and schedules listed above	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Statement of Assets & Liabilities					
2	<ul style="list-style-type: none"> • A balance sheet prepared in accordance with GAAP or stated accounting principles / policies, and • Show changes in equity and surplus or deficit due to operations 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Operational Statement					
3 (1)	<p>Prepared in accordance with GAAP or stated accounting principles / policies and consists of:</p> <ul style="list-style-type: none"> • a Statement of Income or Statement of Revenue and Expenditures, and • a Statement of Changes in Financial Position 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3 (2) 3 (3)	<ul style="list-style-type: none"> • The Statement of Changes in Financial Position may be omitted if it provides no additional information • The omission must be explained in the notes 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3 (4)	Community colleges, school districts, and municipalities must prepare a Statement of Changes in Financial Position for the Capital Fund	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Schedule of Debts					
4 (1) (a) 4 (2)	List each long-term debt (secured by debentures, mortgages, bonds, etc.), stating the amount outstanding, the interest rate, and the maturity date	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4 (1) (b)	Identify debts covered by sinking funds or reserves and amounts in these accounts	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4 (3) 4 (4)	<ul style="list-style-type: none"> • The schedule may be omitted if addressed under section 2 or 5 and it provides no additional information • The omission must be explained in a note to the schedule 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Schedule of Guarantee and Indemnity Agreements					
5 (1)	List financial agreements that required government approval prior to being given (see Guarantees and Indemnities Regulation in FIA Guidance Package)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
5 (2)	State the entities involved, and the specific amount involved if known	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
5 (3) 5 (4)	<ul style="list-style-type: none"> • The schedule may be omitted if addressed under section 2 or 4 and it provides no additional information • The omission must be explained in a note to the schedule 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Schedule of Remuneration and Expenses (See Guidance Package for suggested format)					
6 (2) (a)	List separately, by name and position, the total remuneration and the total expenses for each elected official, member of the board of directors, and employee appointed by Cabinet	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (2) (b)	List alphabetically each employee whose total remuneration exceeds \$75,000 and the total expenses for each [excluding the persons listed under 6 (2) (a)]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (2) (c)	Include a consolidated total for employees whose remuneration is \$75,000 or less [excluding the persons listed under 6 (2) (a)]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (2) (d)	Reconcile or explain any difference between total remuneration in this schedule and related information in the operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (3)	Exclude personal information other than name, position, function or remuneration and expenses of employees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Schedule of Remuneration and Expenses (See Guidance Package for suggested format)					
6 (6)	Report the employer portion of EI and CPP as a supplier payment to the Receiver General for Canada rather than as employee remuneration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (7) (a) 6 (7) (b)	Include a statement of severance agreements providing: <ul style="list-style-type: none"> • the number of severance agreements under which payment commenced in the fiscal year being reported on for non-union employees, and • the range of equivalent months' compensation for them (see Guidance Package for suggested format)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (8)	Provide the reason for omitting a statement of severance agreements in a note to the schedule of remuneration and expenses	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Schedule of Suppliers of Goods or Services (See Guidance Package for suggested format)					
7 (1) (a)	List in alphabetical order all suppliers of goods and services who received aggregate payments exceeding \$25,000	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7 (1) (b)	Include a consolidated total of all payments to suppliers who received \$25,000 or less	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7 (1) (c)	Reconcile or explain any difference between the consolidated total and related figures in the operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7 (2) (b)	Include a statement of payments for the purposes of grants or contributions	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Inactive Corporations					
8 (1)	The ministry reports for the corporation if the corporation is not operating to the extent required to produce a SOFI	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8 (2) (a)	The ministry's report contains the statements and schedules required under section 1 (1), to the extent possible	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8 (2) (b)	The ministry's report contains a statement of the operational status of the corporation (see Guidance Package regarding what to include)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Approval of Financial Information					
9 (1)	Corporations other than municipalities – the SOFI is signed as approved by the board of directors or the governing body (see Guidance Package for example)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (2)	Municipalities – the SOFI is approved by its council and by the officer assigned responsibility for financial administration (see Guidance Package for example)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9 (3)	A management report is included, signed by the head and chief financial officer, or by the municipal officer assigned responsibility for financial administration (see examples in annual report at http://www.gov.bc.ca/cas/popt/)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (4)	The management report explains the roles and responsibilities of the board of directors or governing body, audit committee, management, and the auditors	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (5)	Signature approvals required in section 9 are for each of the statements and schedules of financial information, not just the financial statements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

MANAGEMENT REPORT

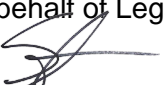
The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

The Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through the Finance Committee of the Board. The Finance Committee meets with management and the external auditors twice a year.

The external auditors, Deloitte, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the Finance Committee of the Board and meet with it on a regular basis.

On behalf of Legal Services Society,



Steven Veinot
Chief Financial Officer
Date: July 31, 2023



Executive Office
Suite 400
510 Burrard Street
Vancouver BC V6C 3A8

P: 604-601-6000

**LEGAL SERVICES SOCIETY
STATEMENT OF FINANCIAL INFORMATION APPROVAL**

The undersigned represents the Board of Directors of the Legal Services Society and approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.

A handwritten signature in blue ink, appearing to read "Lisa Scott".

Lisa Scott
Chair, Finance Committee
Legal Services Society
July 31, 2023

Financial statements of

Legal Aid BC

March 31, 2023

Legal Aid BC

March 31, 2023

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Management's Report

Management's Responsibility for the Legal Aid BC Financial Statements

The financial statements of Legal Services 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, 2023 (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 contained in the financial statements. A summary of the significant accounting policies are 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 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, CPA, CMA, SCMP
Chief Financial Officer

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, 2023, 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, 2023 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.

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.

The logo for Deloitte LLP, featuring the word "Deloitte" in a cursive script followed by "LLP" in a bold, sans-serif font.

Chartered Professional Accountants
May 15, 2023
Vancouver, British Columbia

Statement of financial position

as at March 31, 2023

	2023	2022
Financial assets		
Cash (note 17)	\$ 11,161,348	\$ 12,291,868
Accounts receivable (note 17)		
Government of British Columbia (note 14)	5,173,946	1,024,172
Government of Canada	845,474	1,149,997
Other	7,519,830	979,322
Total financial assets	24,700,598	15,445,359
Liabilities		
Accounts payable and accrued liabilities (note 17)		
General (note 5a)	6,247,559	2,495,491
Tariff (note 5b)	16,492,930	15,790,445
Deferred contributions (note 9)	5,076,108	—
Employee future benefits (notes 6(b) and 17)	184,200	191,200
Long-term liabilities (notes 7 and 17)	615,693	758,111
Total liabilities	28,616,490	19,235,247
Net debt	(3,915,892)	(3,789,888)
Non-financial assets		
Tangible capital assets (Schedule 1)	4,621,144	4,530,910
Prepaid expenses	234,215	198,445
Total non-financial assets	4,855,359	4,729,355
Accumulated surplus (note 8)	\$ 939,467	\$ 939,467
Contractual obligations (note 13)		
Economic dependence (note 15)		
Contingent liabilities (note 16)		

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

Approval of the financial statements by:



Karen Christiansen, FCPA, FCA
Chair of the Board of Directors



Allan P. Seckel, KC
Chair of the Finance Committee

Statement of operations and accumulated surplus

for the year ended March 31, 2023

	Budget (note 12)	2023	2022
Revenue			
Government of British Columbia (notes 9 and 14)	\$ 114,072,000	\$ 111,966,575	\$ 108,618,894
Federal Government	2,215,000	6,834,895	—
Law Foundation	3,250,000	2,463,311	3,535,429
Department of Justice — Canada	—	31,398	60,467
Notary Foundation	500,000	—	1,184,504
Investment	100,000	550,554	111,251
Miscellaneous	115,000	655,006	497,097
Total revenue	120,252,000	122,501,738	114,007,642
Expenses (notes 10, 14)			
Criminal tariff	61,024,986	59,345,471	58,056,859
Family tariff	30,124,363	28,865,225	27,775,243
Child protection tariff	7,733,296	6,188,783	6,060,184
Immigration and refugee tariff	3,901,160	6,834,895	4,100,377
Federally Funded Initiatives	—	3,061,029	—
Parents Legal Centres	6,551,494	6,117,621	6,137,962
Publishing	2,134,941	1,779,170	2,496,805
Community engagement	823,870	789,727	914,790
Indigenous services	707,133	755,459	673,041
Administration (note 11)	7,250,757	8,764,359	7,792,380
Total expenses	120,252,000	122,501,738	114,007,642
Surplus / (Deficit) for the year	—	—	—
Accumulated surplus at beginning of year	939,467	939,467	939,467
Accumulated surplus at end of year (note 8)	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, 2023

	Budget (note 12)	2023	2022
Surplus / (Deficit) for the year	\$ —	\$ —	\$ —
Acquisition of tangible capital assets	(1,338,000)	(1,155,263)	(2,138,213)
Amortization	1,163,000	1,065,029	912,080
	<u>(175,000)</u>	<u>(90,234)</u>	<u>(1,226,133)</u>
Acquisition of prepaid expenses	—	(322,776)	(204,069)
Use of prepaid expenses	—	287,007	421,538
	<u>—</u>	<u>(35,769)</u>	<u>217,469</u>
Increase in net debt	(175,000)	(126,003)	(1,008,664)
Net debt at beginning of year	<u>(3,789,888)</u>	<u>(3,789,888)</u>	<u>(2,781,224)</u>
Net debt at end of year	<u>\$ (3,964,888)</u>	<u>\$ (3,915,892)</u>	<u>\$ (3,789,888)</u>

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

Statement of cash flows
for the year ended March 31, 2023

	2023	2022
Cash provided by (applied to) operating activities		
Deficit for the year	\$ —	\$ —
Items not involving cash:		
Amortization	1,065,029	912,080
Long term liabilities	(142,419)	(156,888)
<i>Changes in non-cash working capital:</i>		
Accounts receivable	(5,745,759)	1,950,440
Accounts payable, accrued liabilities and deferred contributions	4,890,661	225,839
Prepaid expenses	(35,769)	217,469
Employee future benefits	(7,000)	(26,600)
Total change from Operating activities	<u>24,743</u>	<u>3,122,340</u>
Cash applied to capital activities		
Purchase of tangible capital assets	<u>(1,155,263)</u>	<u>(2,138,213)</u>
Total change from Capital activities	<u>(1,155,263)</u>	<u>(2,138,213)</u>
(Decrease) increase in cash	<u>(1,130,520)</u>	<u>984,127</u>
Cash at beginning of year	<u>12,291,868</u>	<u>11,307,741</u>
Cash at end of year	<u>\$ 11,161,348</u>	<u>12,291,868</u>
Supplemental disclosure of non-cash transactions:		
Deferred contribution not yet received	<u>\$ 4,640,000</u>	<u>—</u>

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, 2023**

1. Overview

Legal Services Society (which is referred to in these financial statements under its operating name of Legal Aid BC) was established under the Legal Services Society Act on October 1, 1979 (as revised on May 31, 2007). Legal Aid BC is governed by a Board of Directors, of which five are appointed by the Province of British Columbia (the province) and four are appointed by the Law Society. Legal Aid BC operates within the framework of a Memorandum of Understanding (MOU) with the province. The MOU is renewed every 3 years and outlines the roles, budget and planning processes as well as prioritization for allocating funding. The purpose of Legal Aid BC is to:

- assist individuals to resolve 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 not subject to income taxes.

The global pandemic, COVID-19, has significantly disrupted economic activities in BC. This is a difficult time for the legal system. It is still unknown at this time how and when the justice system will fully re-open and when billing patterns will return to pre-pandemic levels.

Legal Aid BC's largest risk continues to be fluctuating demand and costs for services. Legal Aid BC cannot predict the demand for tariff services with a high degree of certainty, nor the pace at which cases move through the court system and are ultimately billed. The inability to control demand (socioeconomic and morphing court procedures) continues to be the most significant risk to Legal Aid BC in meeting its financial targets.

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 of the province. This section requires the accounting policies and practices of government organizations to conform to generally accepted accounting principles for senior governments in Canada, as modified by any alternative standard or guideline that is made by the Treasury Board.

In November 2011, a Treasury Board regulation was issued that requires tax-payer supported organizations to adopt the accounting policies for restricted contributions described in note 3(a). These accounting policies are significantly different from Canadian Public Sector Accounting Standards ("PSAS") which require that government transfers with stipulations are recognized as revenue in the period the transfer is authorized and 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 at and for the year ended March 31, 2023 is significant as aggregate contributions of \$5,076,108 have been deferred as at March 31, 2023.

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 for the purpose of developing or acquiring 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 authorized, 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 to Legal Aid BC and an estimate of services performed by lawyers but not yet billed to Legal Aid BC.

(d) Employee future benefits

- i. Legal Aid BC's employees belong to the Municipal Pension Plan, which is a multi-employer contributory pension plan. Legal Aid BC records its pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This method is used because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets, and costs to individual employers participating in the plan.
- ii. 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.

3. Significant accounting policies (continued)

(e) Tangible capital assets

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

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

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 term of the lease 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, accounts receivable, and accounts payable and accrued liabilities. Accounts receivable and 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.

3. Significant accounting policies (continued)

(h) Financial instruments (continued)

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

(i) Measurement uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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 18). 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 at the time of the preparation of the financial statements 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. Investments

As of March 31, 2023, Legal Aid BC held no investments (2022 — \$nil).

5. Accounts payable and accrued liabilities

(a) General

		2023	2022
Trade payables	\$	4,884,394	\$ 1,043,057
Payroll payables		1,363,165	1,452,434
Total	\$	6,247,559	\$ 2,495,491

(b) Tariff

		2023	2022
Submittals approved, not paid	\$	440,513	\$ 1,873,047
Submittals not approved		2,135,777	1,932,476
Accrual (<i>note 18</i>)		13,916,640	11,984,922
Total	\$	16,492,930	\$ 15,790,445

5. Accounts payable and accrued liabilities (continued)

Legal Aid BC uses an actuarial model to estimate legal services performed but not yet billed to Legal Aid BC. Management estimated this liability to be approximately \$13,916,640 (2022 — \$11,984,922). This estimate, included in the above table, incorporates average case costs and service billings for similar cases, based on historical experience over a two-year period. Actual costs could differ from this estimate (notes 3(i) and 18).

Legal Aid BC does not record a liability, and related accounts receivable, for certain legal services performed but not yet billed to Legal Aid BC 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.

6. Employee future benefits

(a) Pension plan

Legal Aid BC and its employees contribute to the Municipal Pension Plan (jointly trustee pension plan). The Board of trustees for this plan, representing plan members and employers, is responsible for administering the pension plan, including investing assets and administering benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2021, the Municipal Pension Plan had approximately 227,493 active members and 118,048 retired members.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation, conducted as at December 31, 2021, showed the plan's basic account, which pays lifetime pensions, was 103.9 percent funded with actuarial assets of \$73.11 billion and actuarial liabilities of \$70.37 billion. There is a surplus of \$2.74 billion. In addition, the rate stabilization account, which was set up to help offset potential future contribution rate increases, has a balance of about \$2.5 billion.

Legal Aid BC paid \$1,204,319 (2022 — \$1,291,289) for employer contributions to the plan during the year ended March 31, 2023.

(b) Non-vested sick leave

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

Accumulated credits may be used in future years to the extent that 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 employee unused sick bank is not paid out at retirement. The benefit cost and liabilities related to the plan are included in the financial statements.

7. Long-term liabilities

Lease inducements

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

	2023	2022
Leasehold inducements	\$ 615,693	\$ 758,111
Less: current portion	(129,310)	(148,148)
Long-term portion	\$ 486,383	\$ 609,963

8. Accumulated surplus

The use of the accumulated surplus is restricted by the terms of the Legal Services Society Act and as well as by approval from the Board of Directors.

9. Restricted contributions

2023

	Opening deferred contribution	Approved budget	Additional contributions	Recognized in operations	Closing deferred contribution
Government of British Columbia — Category B	\$ —	\$ 3,292,000	\$ 394,052	\$ 3,686,052	\$ —

2022

	Opening deferred contribution	Approved budget	Additional contributions	Recognized in operations	Closing deferred contribution
Government of British Columbia — Category B	\$ —	\$ 3,292,000	\$ 531,238	\$ 3,823,238	\$ —

9. Restricted contributions (continued)

Legal Aid BC's Memorandum of Understanding (MOU) with the Ministry of the Attorney General provides for restricted funding for exceptional matters commencing with the 2003 fiscal year. The MOU was renewed effective April 1, 2020, and provides clarification on 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. These cases are funded by a restricted contribution, and any surplus in these cases 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 of the fees and disbursements exceeds \$175,000, or where the case is one in which 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 the Attorney General.

In addition to the contributions described above, in 2023 Legal Aid BC recognized and deferred contributions of \$5,076,108 related to projects for which the associated expenditures have not yet occurred.

10. Expenses by object

The following is a summary of expenses by object:

	2023 Budget	2023 Actual	2022 Actual
Lawyer fees	\$ 65,915,048	\$ 62,149,362	\$ 60,973,563
Duty counsel fees	13,824,380	14,057,575	13,379,220
Disbursements	5,998,502	6,540,545	5,406,901
Total tariff costs	85,737,930	82,747,482	79,759,684
Salaries and benefits	20,556,850	20,170,373	20,171,683
Grants and contracted services	4,258,600	9,866,939	5,544,436
Computers	1,616,490	2,333,321	1,582,447
Premises	3,257,177	3,002,581	2,905,059
Local agents	1,757,200	1,911,858	1,744,450
Amortization	1,552,859	1,065,067	912,080
Office	759,235	679,990	677,206
Miscellaneous	530,416	515,768	592,385
Board expenses	155,841	76,429	83,417
Travel	69,402	131,930	34,795
Total	\$ 120,252,000	\$ 122,501,738	\$ 114,007,642

11. Administration expense

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

	2023	2022
Executive Office	\$ 1,507,652	\$ 1,231,435
Finance and Office Services	2,938,877	2,213,435
Strategic Policy, Planning and Human Resources	2,207,998	2,667,978
IT Operation Services	2,109,832	1,679,532
Total	\$ 8,764,359	\$ 7,792,380

12. 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 February 10, 2022, and submitted to the Ministry of the Attorney General on March 14, 2022 and were approved on April 11, 2022.

13. Contractual obligations

Legal Aid BC has the following contractual obligations.

	Premises leases	Operating costs	Total
2024	1,810,052	3,534,839	5,344,891
2025	1,657,923	—	1,657,923
2026	1,381,287	—	1,381,287
2027	1,424,194	—	1,424,194
2028	1,424,194	—	1,424,194
Thereafter	1,068,145	—	1,068,145
Total	\$ 8,765,795	\$ 3,534,839	\$ 12,300,633

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

At year-end, the commitment for future costs of legal services to be performed beyond the fiscal year, for which Legal Aid BC is currently committed, is estimated by management to be approximately \$42.0 million (2022 — \$32.1 million). This estimate uses the same methodology as described in note 5 for tariff payables.

14. 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 \$111,966,575 (2022 — \$108,618,894), and Legal Aid BC is responsible for providing legal aid to individuals throughout British Columbia. At year-end, the province owed Legal Aid BC \$5,173,946 (2022 — \$1,024,172).

Certain members of the Board of Directors provide tariff services to 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 \$206,522 (2022 — \$194,094). All payments to Board members are reviewed by the Finance Committee on a quarterly basis.

15. Economic dependence

In 2023, Legal Aid BC received 91% (2022 — 95%) of its total revenue from the Province of British Columbia, and as a result is economically dependent on the continuation of this funding.

16. Contingent liabilities

The nature of Legal Aid BC's activities is such that there is usually pending or prospective litigation at any time against Legal Aid BC. With respect to claims at March 31, 2023, management believes Legal Aid BC has valid defences and appropriate insurance coverage in place. Accordingly, no provision has been made in these financial statements for any liability that may result.

17. Risk management

Credit risk

Credit risk is the risk of loss resulting from failure of an individual or group to honour their financial obligations. Legal Aid BC's accounts receivable are due primarily from government organizations and other organizations with limited credit risk. Legal Aid BC's cash is held at Canadian chartered banks and Canadian 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, there were no significant accounts receivable that were past due or impaired. To the extent Legal Aid BC identifies an account where 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 \$24,700,598 (2022 - \$15,445,359).

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. At March 31, 2023, Legal Aid BC has \$nil drawn against this line (2022 — \$nil).

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

2023

	On demand	Up to 1 year	1 to 3 years	Total
Financial assets				
Cash	\$ 11,161,348	\$ —	\$ —	\$ 11,161,348
Accounts receivable	—	13,539,250	—	13,539,250
Total financial assets	\$ 11,161,348	\$ 13,539,250	\$ —	\$ 24,700,598
Liabilities				
Accounts payable and accrued liabilities	—	8,823,850	—	8,823,850
Tariff accrual	—	13,916,640	—	13,916,640
Other liabilities	—	5,389,618	486,382	5,876,000
Total liabilities	\$ —	\$ 28,130,108	\$ 486,382	\$ 28,616,490

17. Risk management (continued)**Liquidity risk (continued)****2022**

	On demand	Up to 1 year	1 to 3 years	Total
Financial assets				
Cash	\$ 12,291,868	\$ —	\$ —	\$ 12,291,868
Accounts receivable	—	3,153,491	—	3,153,491
Total financial assets	\$ 12,291,868	\$ 3,153,491	\$ —	\$ 15,445,359
Liabilities				
Accounts payable and accrued liabilities	—	4,631,789		4,631,789
Tariff accrual	—	13,654,147		13,654,147
Other liabilities	—	348,088	609,963	949,311
Total liabilities	\$ —	\$ 18,634,024	\$ 609,963	\$ 19,235,247

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 have an impact of approximately \$100,000 on interest revenue.

(c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument 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.

18. Measurement uncertainty

Program area		Amount reported	Measurement uncertainty	Range
Tariff accrual (<i>note 5b</i>)	Min	\$ 13,916,640	(1,391,664)	\$ 12,524,976
	Max	\$ 13,916,640	1,391,664	\$ 15,308,304
Tariff and transcript expenses (<i>note 10</i>)	Min	\$ 82,747,482	(1,391,664)	\$ 81,355,818
	Max	\$ 82,747,482	1,391,664	\$ 84,139,146

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.

During the year ended March 31, 2019, Legal Aid BC engaged an independent actuarial firm to review the tariff accrual model. The review concluded that, in the aggregate, the tariff model remains appropriate for determining the amount to be accrued.

19. Changes in presentation

Certain comparative figures have been reclassified to conform to the method of presentation adopted in the current year.

Schedule 1 – Tangible Capital Assets

2023

Cost

(\$000)	Balance, beginning of year	2023 Additions ¹	2023 Disposals	Balance, end of year
Furniture	\$ 1,107			1,107
Equipment	688			688
Computer equipment	1,396			1,396
Computer software	4,713	1,155		5,868
Client Information System	5,811			5,811
Leasehold improvements	3,893			3,893
Total	\$ 17,608	1,155		18,763

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

Accumulated amortization

(\$000)	Balance, beginning of year	2023 Additions	2023 Disposals	Balance, end of year
Furniture	\$ (1,106)	(1)		(1,107)
Equipment	(667)	(15)		(682)
Computer equipment	(1,260)	(78)		(1,338)
Computer software	(2,523)	(431)		(2,954)
Client Information System	(5,811)			(5,811)
Leasehold improvements	(1,709)	(541)		(2,250)
Total	\$ (13,077)	(1,066)		(14,142)

Net Book Value

(\$000)	2023	2022
Furniture	\$ -	\$ 1
Equipment	6	21
Computer equipment	58	136
Computer software	2913	2,190
Client Information System	-	
Leasehold improvements	1,643	2,183
Total	4,621	4,531

Schedule 1 – Tangible Capital Assets (continued)**2022****Cost**

(\$000)	Balance, beginning of year	2022 Additions	2022 Disposals	Balance, end of year
Furniture	\$ 1,107			1,107
Equipment	688			688
Computer equipment	1,396			1,396
Computer software	2,575	2,138		4,713
Client Information System	5,811			5,811
Leasehold improvements	3,893			3,893
Total	\$ 15,470	2,138		17,608

Accumulated amortization

(\$000)	Balance, beginning of year	2022 Additions	2022 Disposals	Balance, end of year
Furniture	\$ (1,089)	(17)		(1,106)
Equipment	(635)	(32)		(667)
Computer equipment	(1,182)	(78)		(1,260)
Computer software	(2,463)	(60)		(2,523)
Client Information System	(5,644)	(167)		(5,811)
Leasehold improvements	(1,153)	(557)		(1,710)
Total	\$ (12,166)	(911)		(13,077)

Net Book Value

(\$000)	2022	2021
Furniture	\$ 1	\$ 18
Equipment	21	53
Computer equipment	136	214
Computer software	2,190	112
Client Information System	-	168
Leasehold improvements	2,183	2,740
Total	4,531	3,304

LEGAL SERVICES SOCIETY
RECONCILIATION OF SCHEDULE TO FINANCIAL STATEMENTS
For the Year Ended March 31, 2023

Total Operating Expenses per Financial Statements (Note 10)	\$	122,501,738
Less:		
Total Tariff Costs	(82,747,482)	
Salaries and Benefits	(20,170,373)	
Amortization	(1,065,067)	
	(103,982,922)	
Add:		
Change in Capital	1,155,263	
Change in Prepaid	(35,769)	
Change in Long-term Liabilities	142,419	
Change in Year end Accruals	(4,044,780)	
	(2,782,868)	
Adjusted Total	\$	15,735,949

Total Vendor Payments Greater than \$25,000 per Schedule		16,578,506
Payments to Vendors less than \$25,000		2,268,677
		18,847,183
	\$	18,847,183
Adjustment for GST Rebate Received		(236,939)
Other Services excluded from above		(61,823)
Benefits and Pension excluded from above		(2,812,473)
	\$	15,735,949

LEGAL SERVICES SOCIETY
PAYMENTS TO SUPPLIERS OF GOODS AND SERVICES
For the Year Ended March 31, 2023

Vendor	Amount
Advanced Parking	25,627.30
Altis HR	94,342.60
Aon Reed Stenhouse Inc.	41,346.00
Basetwo Media Inc	31,500.00
BCGEU	163,355.46
Bell Canada	283,311.48
Berlin, Eaton & Associates Ltd	267,677.43
BMO Nesbitt Burns Inc.	39,356.00
BPW Holdings Ltd.	31,773.30
Canon Business Solutions Canada Inc.	30,112.66
Cantalk (Canada) Inc.	138,800.25
Caravel Law LLP	52,424.40
Ceridian Canada Ltd	69,039.90
CML ITF 1338370 BC Ltd	114,304.52
Community Legal Assistance Society	1,584,079.99
Continuing Legal Education Society BC	102,614.96
Corus Sales Inc	27,560.14
Darktrace Holdings Limited	65,205.00
Deloitte LLP	53,025.00
Denis-Boileau, Marie-Andree	27,827.97
E&D Properties Ltd	41,071.74
Employer Health Tax	314,341.68
Endeavour Solutions Inc.	459,782.78
Focus Further Solutions Inc	33,440.00
Foundever Assistance Services Corp.	494,550.00
Hardal Management Inc.	115,987.18
Hemlock Printers Ltd.	29,102.08
Hosted Advantage	137,973.02
Hub International Canada West ULC	32,130.00
I. T. Blueprint Solutions Consulting Inc	320,205.30
IBM Canada Ltd.	779,730.00
Inclusive Excellence Strategy Solutions	74,709.98
Iron Mountain Canada Corp.	98,325.23
J.C. Wordassist Ltd.	444,025.20
KPMG LLP	603,484.94
Law Society Of B.C.	148,638.41
Lesley Bell Consulting	47,460.00
Macauley & Associates Consulting Inc.	62,183.63
Majestic Management	113,108.73
Manulife Financial	2,371,882.91
Marine Printers Inc.	61,150.88
MicroStrategy Services Corporation	25,816.27
Minister Of Finance	64,647.01
Minister of Finance (Circuit Court)	35,812.78
Minister of Finance (King's Printer)	67,348.75
Mosaic	38,761.42
Municipal Pension Plan	2,305,162.00
Murray D. Segal Professional Corporation	62,020.28
Namgis First Nation	39,999.96
Nelson Cares Society	32,723.23
Nucleus Networks Inc.	119,070.01
Oldham, Georganne	26,586.00
Olthuis van Ert	29,304.27
OXD Consulting Ltd.	174,135.97
Pacific Blue Cross	770,075.95
PayTech Human Capital Mgmt Consulting	39,778.20
PEA (Professional Employees Association)	30,722.74
Port53 Technologies Inc	34,715.03
PRA Inc.	55,088.25
Prime Consulting Inc.	99,827.08
Radisson Vancouver Airport Hotel	35,469.96
Richmond Property Group Ltd	71,074.64
Robert Half Management Resources	49,191.81
Roper Greyell LLP	34,913.78
Sage Software Canada Ltd	43,220.68
Sandterra Solutions Inc.	100,954.75
Sayers Consulting	74,302.30
Sentis Market Research Inc.	52,605.00
Simon Fraser University	35,379.45
Softchoice LP	72,531.73
Spencer, Graham	55,641.60
Steininger, Joleen	79,053.94
Sterling Property Management	96,882.69
Swartz Law Corporation	35,697.55
Symons & Black Design & Development Ltd.	68,998.14
The Answer Company Consulting Ltd.	52,550.58
The Canada Life Assurance Company	468,639.37
The Jouta Performance Group Inc	26,250.00
The Law Foundation of BC	25,147.66
Thomson Reuters Canada	68,648.20
Trial Lawyers Association of BC	43,134.23
Trigo's Enterprises Limited	29,209.92
Tyler Technologies, Inc.	26,005.56
Verbatim Words West Ltd.	30,668.88
West Coast Prison Justice Society	668,960.30
WorkSafe BC-Workers' Compensation Board	27,005.20
Ziemen Networks Inc.	128,205.00
Vendor over \$25,000	16,578,506
Vendor under \$25,000	2,268,677

Legal Services Society
Schedule of Remuneration and Expenses
For the Year Ended March 31, 2023

Name	Remuneration	Expenses
Allameh, Ali-Reza	95,448	5,259
Ameer, Raina	112,816	100
Ash, Sarah J	127,031	3,898
Azam, Salman	197,907	10,459
Bailey, Rhaea I	131,563	5,788
Bissonauth, Ashvaneer	166,278	2,304
Bryant, Michael	260,442	50,845
Carter, Kim	138,666	8,878
Chiu, Ming Hsien	79,010	78
Cline, Michael	78,258	25
Dawes, M. Natasha	86,080	192
Deshpande, Harshada S	97,550	8,036
Dhillon, Meena H	78,637	3,621
Du Plessis/Popescu, Adina	129,358	8,458
Dybwad, Brian B	135,166	18,508
Faux, Aesha	145,788	10,602
Findlay, Jennifer	96,460	735
Gara, Sylvia	107,790	2,470
Griffiths, David O	98,390	4,609
Harry, Katrina M	157,360	13,664
Holloway, Roderick	145,809	4,717
Hood, Melissa	76,334	1,490
Jantunen (Peel), Alexandra	88,054	2,282
Kenacan, Judith	132,787	9,451
Kennelly, Floriana	91,798	4,909
Khan, Sarah	126,914	2,905
Kim, Lauren	93,010	4,301
Koehn, Nathan	100,293	175
Koniukhov, Aleksei A	81,045	-
Kristan, Susie K	151,570	9,620
Lakshman, Simiran	141,862	9,457
Lee, Joanne	88,849	3,782
Lee, Y. Candice	131,693	2,737
Longstaff, Nikolas A	100,778	1,128
Manev, Ognyan	112,976	4,050
Mason, Heidi-Anne	213,404	24,131
Matijasic, Branka	158,984	1,934
Maviglia, Nick	108,516	8,641
McBride, Margret L	78,431	127
McConchie, Matthew S	141,051	12,379
McConnell, Dawn M	82,666	9,310
McPherson, Matthew Todd	145,894	8,724
Mirzaian, Scarlet	140,302	10,228
Morton, Zeneta L	143,169	15,273
Myers, Gayle H	126,605	7,248
Newton, Mathew E	77,388	25
O'Leary, Deborah M	145,609	7,651
Olson, Megan M	76,478	4,758
Orrego, Jeremy K	106,447	14,007
Poirier, Sherry	145,784	1,934
Polykovskiy, Yury	111,963	5,098
Ronsayro, Belinda	79,906	1,158
Sharma, Anju	115,117	176
Sidhu, Ramandeep	109,817	4,007
Sigur, Irena	91,020	25
Simpson, John H	97,715	3,664
Smith, Michael	146,993	6,975
Speed, Jeffrey J	143,436	14,822
Spracklin, Kathryn A	162,028	2,219
Sturgess, Lisa M	130,728	6,547
Subramaniam, Kalaivani	105,100	90
Tang, Alex F	78,535	1,648
Tannenbaum, Wilfred F	95,902	1,287
Van Tassel, Wayne	127,071	7,705
Volpe, Olga R	159,714	8,131
Wang, Dennis	85,379	100
Wood, Jacqueline	96,302	6,764
Total Remuneration > \$75,000	8,011,222	416,315
Total Remuneration < \$75,000	8,372,708	
Other benefits	3,641,917	
Change in payroll accruals and other adjustm	144,526	
Total Salaries and Benefits as per Note 10 Financial Statements	20,170,373	

Legal Services Society

SCHEDULE OF BOARD OF DIRECTORS' REMUNERATION AND EXPENSES
For period ending March 31, 2023

NAME	FEES	TOTAL TRAVEL	TOTAL EXPENSES
Karen Christiansen	10,650	2,110	12,760
Celeste Haldane	1,900	0	1,900
Gisela Ruebsaat	4,800	442	5,242
Donna Turko	3,900	0	3,900
Allan Seckel	6,950	0	6,950
Philip Riddell	4,800	144	4,944
Brad Daisley	5,100	1,861	6,961
Melissa Louie	1,800	0	1,800
Tracy Porteous	4,500	928	5,428
Knights, Brenda	1,991	0	1,991
Scott, Lisa	1,841	274	2,115
Subtotal	48,232	5,757	53,989
Consulting/Contract Services	0	0	16,329
LSS Conferences/Board Retreat	0	0	0
Working Lunches/Catering	0	0	5,718
Non-Board Member Expenses	0	29	29
Sundry Expenses	0	203	203
Subtotal	0	232	22,279
TOTAL BOARD EXPENSES	48,232	5,989	76,268



**Legal Services Society
Statement of Grants
For the Year Ended March 31, 2023**

During the fiscal year 2022/23
Legal Services Society made
no grants.



Legal Services Society
Statement of Debts
For the Year Ended March 31, 2023

In compliance with the
Financial Information Act, Schedule 1, Section 4,
we report that Legal Services Society
has no term debt as at March 31, 2023.



Legal Services Society
Statement of Guarantees and Indemnities
For the Year Ended March 31, 2023

As at March 31, 2023 Legal Services Society did not have any outstanding guarantees or indemnities.



Legal Services Society
Statement of Severance Agreements
For the Year Ended March 31, 2023

During the 2022/23 fiscal year there were two non-unionized employees that received severance.

One employee received 12 months, and one received 6 months severance.