

BC Family Maintenance Agency

2024/25 Annual Service Plan Report

August 2025



**BC Family
Maintenance
Agency**

For more information on the BC Family Maintenance Agency, please contact us at:

BC Family Maintenance Agency
PO Box 9226, Stn Prov Govt
Victoria, BC V8W 9J1

1-866-557-2427

Or visit our website at: www.bcfma.ca

Published by the BC Family Maintenance Agency

Board Chair's Accountability Statement



The BC Family Maintenance Agency 2024/25 Annual Service Plan Report compares the organization's actual results to the expected results identified in the 2024/25 – 2026/27 Service Plan published in 2024. The Board is accountable for those results as reported.

Signed on behalf of the Board by:

A handwritten signature in blue ink, appearing to be 'R. Fyfe', written over a light blue horizontal line.

Richard J.M. Fyfe, K.C.
Board Chair
July 30, 2025

Table of Contents

Board Chair’s Accountability Statement 3

Letter from the Board Chair & CEO 5

Purpose of the Annual Service Plan Report 7

Strategic Direction..... 7

Purpose of the Organization 7

Operating Environment..... 8

Economic Statement 9

Report on Performance: Goals, Objectives, and Results 10

Financial Report..... 19

Appendix A: Progress on Mandate Letter Priorities 22

Appendix B: Auditor’s Report and Audited Financial Statements 25

Letter from the Board Chair & CEO

The [BC Family Maintenance Agency](#) (BCFMA) is proud to present our Annual Service Plan Report, which reflects the organization's performance during the fiscal year. In November of 2024, BCFMA celebrated five years as a Crown agency. Since initiating family maintenance services in 1988, BCFMA has supported over 131,000 families through the distribution of over \$5.4 billion.

BCFMA onboarded three new, highly motivated Board members last year to reach a full complement of seven members. Broad expertise, varied backgrounds, diversity, and unique points of view allow for the Board to provide strategic guidance, oversight, and accountability. Two Board working committees (in the areas of Finance/Corporate Services and Human Resources/Stakeholder Engagement) were created to effectively delegate specific tasks and to apply areas of expertise to smaller group discussions.

Several key initiatives were implemented during 2024/25 to modernize and increase access to information for staff. A new Human Resources Information System was implemented that transformed a paper-based timekeeping and payroll process into a new high performance centralized system and platform. An internal, static document manager was modernized into an interactive Intranet to seamlessly share in-house information, facilitate communication, support training, and improve collaboration within BCFMA.

Key operational enhancements were made last year to improve service quality and support client relations. BCFMA streamlined online enrolment processes, resulting in 83% of B.C. applications being submitted online, and most new cases being registered with the program within three business days. A comprehensive Community Referral Guide for staff was designed and launched to aid with connecting clients to a diverse range of partner services. A Quality Assurance and Risk Management Framework was initiated to embed continuous improvement into our culture, strengthen client relations, and ensure enhancements in service quality are measurable.

Previous enhancements made by BCFMA to online banking systems and protocols placed us in an optimal position to minimize disruptions for clients resulting from the Canada Post strike. Progress with online banking ensured that clients could still make support payments through online bill payments and receive support through direct deposits. The digitization of many of BCFMA's letters ensured that staff were able to communicate with clients through their web accounts. Improvements to BCFMA's website and the release of Canada's first family support mobile app ensured that clients could stay up to date with their account information in real time. Inter-jurisdictional document sharing continued unaffected as BCFMA had previously established utilizing TitanFile, a secure method of sharing digitized client documents between authorities.

In support of Truth and Reconciliation, BCFMA's Indigenous Client Services Team made enhancements to our Indigenous service model to better support collaborative, tailored, and culturally appropriate practices. We further collaborated with Indigenous, legal and vulnerable populations by conducting over 20 outreach sessions with various communities, service

providers, and educators. BCFMA completed an Indigenous-focused survey, where 78.2 per cent of Indigenous clients or First Nations contacts agreed that the Indigenous Client Services Team had exceeded their expectations when compared to services received before the team's creation. 73.6 per cent of Indigenous clients agreed that we have taken steps towards reconciliation. BCFMA also conducted a general client survey, where 62.7 per cent of respondents agreed that service quality at BCFMA had improved over the past two years.

BCFMA documented an [Accessibility Plan](#) in full alignment with the *Accessible British Columbia Act*. Following our [Inclusion, Diversity, Equity and Accessibility \(IDEA\) Plan](#) we initiated BCFMA's first IDEA Employee Advisory Committee, created a diversity and inclusion work plan to plan and track program success, held diversity and inclusion presentations, updated our public website to meet accessibility standards, and created an online form to improve client feedback communications.

BCFMA modernized our recruitment practices to include competency-based hiring practices, minimize time to hire outcomes, and reached out through additional non-traditional hiring sites to broaden our reach for Indigenous and diversity hiring.

We supported climate initiatives by fully transitioning to sugar paper and reducing paper usage through the digitization of over 20 client letters from paper to web messages.

BCFMA's Business Technology and Solutions Division documented our five-year systems development plan to provide vision and direction for future Information Management/Information Technology (IM/IT) infrastructure and contracted with a specialized firm to conduct a high-level gap analysis of our current cybersecurity defences, policies and countermeasures.

We also implemented Hague Child Support Convention recommendations by increasing the number of jurisdictions that BCFMA cooperates with, to make it easier for parents to navigate the child support system.

We are extremely pleased with what our organization was able to accomplish last year. We modernized, we collaborated, we became more efficient and effective, and we became more accessible.

A blue ink signature of Richard J.M. Fyfe, consisting of a stylized 'R' followed by a horizontal line and a small loop.

Richard J.M. Fyfe, K.C.
Board Chair
July 30, 2025

A black ink signature of Joanne Hanson, written in a cursive style.

Joanne Hanson
Chief Executive Officer
July 30, 2025

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 2020 and expanded upon in the [Board Chair's 2023 Mandate](#) Letter from the Minister Responsible shaped the goals, objectives, performance measures and financial plan outlined in the [BC Family Maintenance Agency 2024/25 – 2026/27 Service Plan](#) and the actual results reported on in this annual report.

Purpose of the Organization

BCFMA puts people first by providing a free service that is available to all British Columbia families who are eligible to receive or pay family support. BCFMA has been delegated authority to monitor child and spousal support orders and agreements from the Director of Maintenance Enforcement under the [Family Maintenance Enforcement Act](#). The services and supports offered by the organization strengthen families so that they may achieve their full potential and secure the best possible future for their children. BCFMA facilitates over \$210 million in support payments annually, which produces better economic circumstances and contributes to the financial stability and security of children and families across the province.

BCFMA supports government's main foundational principles through our commitment to promote equity, anti-racism, and multiculturalism, to address social and health issues such as poverty and mental health, and to provide services that assist our clients with accessing justice services. BCFMA is committed to lasting and meaningful reconciliation as demonstrated through First Nations-specific community recognition, outreach, and relationship building. Through partnerships with federal, provincial and community organizations, and by applying a provincial model, BCFMA is better able to support B.C.'s historically, persistently or systemically marginalized populations and to support the province in meeting [TogetherBC](#) targets.

Families affected by separation or divorce benefit from harmonized services at both community and provincial levels. BCFMA strives for outcomes that support healthy communities in British Columbia, including social, economic, and environmental well-being.

BCFMA's [Strategic Business Plan Overview](#) provides clarity and understanding of the organization's principles, goals, and overall business direction. BCFMA's vision is to be a leading family maintenance organization by providing a diverse range of supports and services to ensure healthy and thriving families. BCFMA's mission is to provide the highest

quality client-centric service, helping families achieve their best outcomes and future for their children. A balanced approach to family support services within the justice and social services environments ensures constant communication and collaboration with all clients to achieve the best outcomes for children and families.

Operating Environment

BCFMA efforts help to reduce child poverty and contribute to the financial stability and security of approximately 34,000 families each year. During the 2024/25 fiscal year BCFMA efforts and outcomes were affected by uncertainty created by the threat of tariffs, which has contributed to challenging economic conditions including higher costs of living, borrowing/debt servicing costs, and unemployment. These external environment impacts negatively affect the ability of paying parents to meet their family support obligations. BCFMA met these challenges through further advancements in the organization's client-centric business model, including encouraging voluntary payment arrangements, connecting payors and recipients to justice and community supports for additional assistance, and by implementing several technology and service enhancements during the fiscal year.

BCFMA is responsible for the stewardship and protection of client and staff information. BCFMA continues to modernize and upgrade legacy system components and paper-based practices to ensure that data systems are accessible, safe, and trusted. During 2024/25, enhancements were made to BCFMA's enrolment processes and mobile app, a Human Resources Information System (HRIS) was implemented, and an Intranet was deployed for staff to have immediate access to centralized organizational policies, operational information, and training information. These systems upgrades ensure that clients and staff have the information they need, when they need it, and that the information is accessible and protected.

Each BCFMA business area including operations, legal, and information technology develops a divisional business plan that supports responses to everchanging internal and external factors and to ensure that there are clear roadmaps to successful outcomes. Planning helps to guide the organizational development/changes needed that enable BCFMA staff to achieve successful outcomes.

BCFMA is putting people first and supporting equity and anti-racism. BCFMA's IDEA and Accessibility Plans provide a blueprint for encouraging organizational awareness, accessibility, and diversity, and ensuring alignment with government's priorities including the *Anti-Racism Data Act* and the *Accessible British Columbia Act*.

Attracting, hiring, and retaining skilled and diverse candidates is challenging. To create and sustain an inclusive, diverse and safe workplace, BCFMA's human resources recruitment, onboarding, and staff development practices continue to be enhanced to provide opportunities for career growth and leadership development, as well as to offer improved supports for health and well-being. BCFMA is committed to developing strategic hands-on leaders and fostering a respectful culture that celebrates a diverse workforce.

BCFMA supports a long-term vision of reconciliation under the *Declaration of the Rights of Indigenous Peoples Act* and the Truth and Reconciliation Commission Calls to Action. The Indigenous Client Services Team and outreach services collaborates with First Nations governments and communities. Feedback provided by First Nations communities has been used to further explore and implement a service delivery model that supports the social, cultural, and economic well-being of our Indigenous clients.

Trauma-informed, systemic discrimination, mental health and truth and reconciliation training is provided annually to all staff. Referral systems have improved client access to the justice services they require. BCFMA's workplace improvement teams promote quality assurance, green initiatives, and a positive and supportive work environment.

Economic Statement

After several years of strong growth, economic activity in British Columbia moderated in 2024 amid high interest rates, persistent price pressures, and ongoing global economic uncertainty. B.C.'s real GDP increased by 1.2 per cent in 2024 and ranked 8th (tied with Ontario) among the provinces following growth of 2.4 per cent in 2023. Last year, economic growth was driven by B.C.'s service-producing industries such as real estate, rental and leasing; health care and social assistance services; transportation and warehousing; public administration; and educational services. Output for goods-producing industries declined in 2024 due to lower construction and manufacturing activity, which was partly offset by growth in the mining, quarrying and oil and gas extraction; utilities; and agriculture, forestry, fishing and hunting sectors.

B.C.'s labour market continued to expand in 2024. Employment in B.C. increased by 66,100 jobs (+2.3 per cent), supported by high immigration, and wages and salaries rose by 6.3 per cent. B.C.'s unemployment rate averaged 5.6 per cent in 2024, up from 5.2 per cent in 2023 as strong population and labour force growth outpaced job gains. Elevated interest rates, rising construction costs, and ongoing labour shortages weighed on the construction sector last year. Housing starts totaled 45,828 units in 2024, down 9.2 per cent from the record high in 2023, but remained above the ten-year historical average. B.C. home sales increased by 2.1 per cent and the average home sale price increased by 1.0 per cent compared to 2023. Price pressures in B.C. continued to broadly moderate last year, but shelter price growth remained elevated. Overall, B.C.'s inflation rate averaged 2.6 per cent in 2024, down from 3.9 per cent in 2023. Despite strong population growth, nominal retail sales increased by just 0.6 per cent in 2024, following a 0.1 per cent decline in 2023. On the trade front, weak global demand and lower commodity prices (primarily natural gas and coal prices) last year contributed to a 2.7 per cent decline in B.C.'s merchandise exports relative to 2023 despite increased exports to non-U.S. destinations including China, South Korea, and Australia.

Report on Performance: Goals, Objectives, and Results

The following goals, objectives and performance measures have been restated from the 2024/25 – 2026/27 service plan. For forward-looking planning information, including current and future performance targets, please see the [latest service plan](#).

Goal 1: BCFMA is effective and efficient in providing family support services and referrals for British Columbians

Objective 1.1: Administer support orders and agreements filed under the *Family Maintenance Enforcement Act* and recover payments

Each year BCFMA facilitates over \$210 million in transfers between payors and recipients. Most of the families in receipt of support payments have low or modest earnings, and the monies received account for a significant proportion of their monthly income.

Key results

- Over \$219 million transferred between parents for the year, and over 31,000 payments processed each month
- 95 per cent of cases with both parties in B.C. were either fully or partially paid - the average annual amount these families received was \$8,683, a five per cent increase from last year
- Over 325 court appearances were made by BCFMA legal counsel on average each month
- 83 per cent of all new enrolment applications were received through online enrolment (up from 71 per cent attained during 2022/23)
- 5,080 invitations to set up voluntary payment arrangements were sent to paying parents
- Introduced a Quality Assurance and Risk Management Framework to ensure a structured and consistent approach to upholding and enhancing service quality within the organization

Summary of progress made in 2024/25

BCFMA continued to modernize and increase access to services during 2024/25 with enhancements to our mobile app and online enrolment. Canada's first family maintenance mobile app was designed with the modern needs of families in mind and provides users with a quick and easy way to access their case information, stay up to date on payments, and engage

with BCFMA staff from their mobile devices. New processes have been implemented to expedite client enrolment and support faster collection of ongoing child and spousal support payments.

Voluntary payment arrangements are agreements between parents for set payment amounts over a determined period. They reflect a balanced approach where BCFMA listens to, collaborates with, and works with all parties to achieve the best outcomes for children and families.

Each year, BCFMA operating procedures are reviewed and standardized across the organization. The practice ensures consistency of actions taken by staff in support of enhanced communications, better relationship-building with clients, and efficient organizational spending.

Continuing with efforts that began during 2023/24, BCFMA digitized and updated additional client letters that ensure plain language principles are applied and reduced the amount of documentation/paper used. More efficient service delivery, a better client experience, and protection of the environment have resulted through lower postage expenses, improved timeliness of communications, and less paper being used.

Internationally, BCFMA is positioned to offer improved support to families that have cross-border child support matters. BCFMA implemented the International Hague Convention on Child and Family Support that increased the number of international jurisdictions that BCFMA cooperates with. The convention standardizes the process of establishing, modifying, and collecting child support payments across borders. By streamlining international procedures, policies and practices, families are able to navigate the system more effectively.

BCFMA introduced a Quality Framework last fiscal that established a structured approach for upholding and enhancing service quality. The Quality Framework strengthens consistency across BCFMA's provincial service model, by addressing service delivery gaps and promoting transparent and consistent decision-making processes. Staff have been empowered with tools and resources needed to maintain excellence through the introduction of measurable standards, the incorporation of input from those affected by decisions, and the fostering of continuous improvement. By demonstrating accountability through compliance with privacy, legislative, and regulatory standards, the Quality Framework ensures clients receive support that is focused, inclusive, and fair.

Performance measure(s) and related discussion

Performance Measure	2023/24 Actual	2024/25 Target	2024/25 Actual
1a – Maintain or improve the ratio of support payments received over support payments due ¹	84.3	89.0	85.5

Data source: BCFMA

¹PM 1a targets for 2025/26 and 2026/27 were stated in the 2024/25 service plan as 90.0 and 91.0 respectively.

The ratio of support payments received over support payments due assesses the health of family support payment collections. Mature, paid in full cases depart the program when children age out of program eligibility. These are replaced by new cases entering the program that require significant effort to put effective support payment arrangements in place due to the complexity of modern parenting arrangements and child support orders. BCFMA has historically collected at one of the highest ratios in Canada, and maintaining a high ratio ensures that both current and missed support payments are being made by paying clients. A constant or improving ratio of support payments received relative to the amount of support payments due is an indicator of continued program effectiveness in collecting and distributing payments.

The ratio of support payments made over support payments due was driven lower during 2023/24 to 84.3. One factor for this was as the organization experienced increased enrolment with many newer cases being taken on that had not yet had the time to build consistent payment histories. Older/mature cases that tended to be fully paid or had been paying consistently had reached their completion and were being withdrawn. During 2024/25, the ratio recovered somewhat to 85.5 as the newer cases have begun to mature.

Changing provincial and national economic conditions can affect this ratio both positively and negatively. Recent higher costs of living for accommodation, food, gas, and higher borrowing/debt servicing costs have affected B.C. families. For paying parents this can significantly impact their ability to meet their family support obligations. The number of payments processed through Employment Insurance rose from 2,001 payments in April 2023 to 2,607 payments in March 2025, which is indicative of a higher number of paying parents in our program being unemployed.

Parents who owe family support often encounter difficulties in making timely payments, and the accumulation of interest from missed or late payments increases their debt and drives the Performance Measure [1a] ratio even lower. The amount of interest owed by paying parents on overdue support payments has risen to \$21.7 million during 2024/25, which is up \$8.7 million from the \$13 million in interest owed as of 2022/23. Because interest is also applied to previously missed payments (i.e. arrears), when interest rates are high this further increases amounts owed, creating additional financial stress for paying parents. BCFMA is committed to working closely with paying parents and may enter into modified arrangements based on temporary individual circumstances while the paying parent addresses financial or court related issues.

Performance Measure	2023/24 Actual	2024/25 Target	2024/25 Actual
1b – Maintain or improve (reduce) the time it takes to enrol (median number of calendar days) ¹	5	14	3

¹PM 1b targets for 2025/26 and 2026/27 were stated in the 2024/25 service plan as 13 and 12, respectively.

Historically BCFMA's manual enrolment practice acted as a barrier for clients trying to enter the program, as the process was labour intensive, and required the printing and mailing/faxing of a significant amount of paper. To meet the modern expectations of clients,

BCFMA implemented online enrolment during 2022/23 and adopted a more simplified enrolment process over the years that followed to lessen the time to enrol. The removal of barriers including the time and effort required to complete paperwork, the need to print and mail documents or have access to a fax machine, and manual data entry by staff upon receipt of enrolment documents has captured efficiencies and created a better user experience. By using electronic means, information is now quickly and securely transferred between clients and BCFMA and is reflective of current client expectations.

Median enrolment time reflects the median number of calendar days required from initial receipt of an application to when a client is enrolled in the BCFMA program. Enrolment time fell significantly during 2023/24 to five days, and fell even further during 2024/25 to three days, much less than the 2024/25 target of 14 days. By driving the enrolment time down, trust in the BCFMA program has grown and generally less stress has been borne on program participants.

Goal 2: BCFMA's services are reflective of the clients we serve and support the needs of individuals and families

Objective 2.1: Expand awareness of the BCFMA mandate and services

BCFMA exists to support the people of British Columbia. Through improved client access and community outreach, BCFMA will continue to raise organizational awareness so that the families who need our services may access them.

Key results

- The BCFMA mobile app was accessed by clients over 28,000 times during March 2025, accounting for over 19% of all digital engagements with BCFMA (digital engagements include all client accesses to both the BCFMA website and the BCFMA mobile app)
- Over 234,000 secure e-messages were sent and over 207,000 calls were made between BCFMA staff and clients during the 2024/25 fiscal year
- Through a client survey, BCFMA learned that 62.7% of clients agreed that service had improved over the past two years
- Attended the national Inclusion Works Conference in Nanaimo to discuss best practices for building Indigenous recruitment and retention
- BCFMA expanding awareness by conducting 26 outreach events/educational presentations during 2024/25, up from 11 conducted during 2023/24

Summary of progress made in 2024/25

Residential schools, Indian Day schools, and the 60's Scoop severed cultural ties, subjected Indigenous families and communities to abuse and neglect, and created intergenerational trauma that continues to impact economic stability, mental health, and relationships with government institutions. In response, BCFMA's Indigenous Client Services Team is

modernizing and evolving our service delivery model by improving accessibility and engagement with Indigenous communities and clients. More outreach and direct discussions are being held to develop new relationships with First Nations leaders and to ensure culturally appropriate services are available within First Nations communities. Operational processes and systems have been upgraded to encourage self-disclosure of Indigenous identity during enrolment and to track within our Case Management System the key First Nation contacts that we work with.

Using a trauma-informed, end to end service delivery model four BCFMA Case Managers, a Case Manager Community Liaison, and an Operations Support Worker have been dedicated to work specifically with Indigenous clients. These staff have unique experiences and receive specialized trauma-informed training that focuses on enhanced listening and understanding. BCFMA's Case Manager Community Liaison meets directly with services providers such as Family Justice Centres and intimate partner violence survivor support groups that we network with and refer clients to, establishing a stronger social support network. Enhanced relationship building with clients has been developed through welcome calls, by including an elder or First Nations social worker during client calls at the client's request, and by providing referrals to support services that are specific for First Nations clients.

BCFMA attended Inclusion Works '24 in Nanaimo, British Columbia. The three-day learning event brought together an estimated 300 people to participate in professional development and networking activities. Discussions included developing skills and competencies in the areas of recruitment and retention of Indigenous people, and to learn about effective diversity, equity and inclusion strategies towards the benefit of Indigenous people, communities, and businesses.

BCFMA conducted a client survey during April of 2024 to better understand user experiences and establish a baseline for monitoring client satisfaction. Survey feedback informs continuous organizational improvement that leads to stronger client engagement, improved communications, and ultimately higher client satisfaction. The opinion of users of BCFMA's services allows the organization to make informed decisions about changes to business operations as we ensure stability and security for British Columbia families.

Performance measure(s) and related discussion

Performance Measure	2023/24 Actual	2024/25 Target	2024/25 Actual
2a – Annual number of outreach or educational presentations with communities or partner organizations that serve Indigenous governments and under-served groups ¹	11	12	26

Data source: BCFMA

¹PM 2a targets for 2025/26 and 2026/27 were stated in the 2024/25 service plan as 15 and 18, respectively.

BCFMA conducted 26 outreach discussions/events/educational presentations with First Nations, First Nations' legal support organizations, law students, and community legal centres during 2024/25, up from 11 conducted during 2023/24. BCFMA expanded outreach efforts by meeting with more justice centres and engaged with additional First Nations leaders and councils than in previous years. Discussions with the BC First Nations Justice Council further supported BCFMA's goal to work more closely with First Nations in support of making positive changes to B.C.'s legal system.

Each occasion for outreach provided an opportunity to engage and collaborate with industry partners and co-providers of support services. Outreach relationship building has enabled BCFMA to work more closely with First Nations communities as it has led to improved two-way communication. BCFMA has received strong feedback and support for our balanced, client-centric approach, which has created improvements for how both paying and receiving parents are supported.

Goal 3: BCFMA is a resilient, diverse, inclusive, and engaged organization

Objective 3.1: Provide a workplace that promotes employee engagement and satisfaction

Effective staff engagement leads to a healthy work environment and a successful organization. Through collaborative workplace engagement opportunities, staff will lead aspects of workplace decision-making and creating ownership of outcomes, resulting in a productive and healthy workplace environment.

Key results

- BCFMA's Inclusion, Diversity, Equity, and Accessibility Employee Advisory Committee (IDEA EAC) documented a workplan to host diversity and inclusion learning events - the first learning event to acknowledge Black History Month occurred in February of 2025
- BCFMA launched an internal intranet to better share information, documents, and training materials amongst staff
- The Agency has reduced its paper consumption by 28% since 2021, and has transitioned almost entirely to using sugar paper, a non-wood type of paper made entirely from recycled sugar cane fibre
- Staff led or were involved with the Workplace Engagement Team, Green Team, IDEA EAC, and we participated in our third Moose Hide Campaign

Summary of progress made in 2024/25

BCFMA implemented the *Accessible British Columbia Act* mandate by documenting our [Accessibility Plan](#). The plan is the first step on our path towards building client services and workplaces that are accessible, inclusive, and empowering for all citizens and employees.

BCFMA commits to ensuring that every individual, regardless of ability or circumstance, has a part in shaping our future. Key accessibility deliverables during the fiscal year included the creation of a website feedback form, and updating BCFMA's website to international accessible web design standards to ensure inclusivity for people with visual, hearing, motor, and cognitive impairments.

Through the documentation of an [Inclusion, Diversity, Equity and Accessibility \(IDEA\) Plan](#) and the initiation of an Employee Advisory Committee, BCFMA is identifying opportunities for meaningful change that are inclusive of Indigenous peoples, minority communities, immigrants, persons with disabilities, and the 2SLGBTQIA+ community. The importance of cultivating an inclusive work environment in which all employees are meaningfully engaged and have the opportunity to develop and succeed is recognized. As a Crown agency we acknowledge our social responsibility to collaborate with Indigenous Peoples and implement the principles and rights set out in the United Nations Declaration on the Rights of Indigenous Peoples to further advance reconciliation.

Staff led or were involved with a number of workplace improvement teams, including the Workplace Engagement Team, Green Team, and the IDEA EAC. These teams led numerous learning and educational events throughout the year, including a multiculturalism potluck that included an Indigenous acknowledgement of the history and importance of the ceremonial tradition of Potlatches. BCFMA participated in our third Moose Hide Campaign and showed our commitment to standing up against violence towards all women and children. BCFMA staff organized or led several pet therapy sessions and blood drives at each of BCFMA's three offices throughout the year.

Performance measure(s) and related discussion

Performance Measure	2023/24 Actual	2024/25 Target	2024/25 Actual
3a – Improve the Overall Employee Engagement Work Environment Survey score ¹	63	n/a	n/a

Data source: BCFMA

¹PM 3a target for 2025/26 was stated in the 2024/25 service plan as 65.

BCFMA monitors the effectiveness of employee engagement/staff satisfaction strategies through feedback received by staff. A Work Environment Survey (WES) measures the impact of previous workplace improvement decisions and of the efforts undertaken to improve the workplace between surveys on employees' perceptions, opinions and job satisfaction. A 2021 survey established an overall engagement baseline score of 58. The second WES occurred in May 2023 and achieved an overall score of 63.

Workplace engagement drivers recognized in the 2023 WES were used to engage our WES Action Team, with a goal towards engaging staff and developing solutions to improve the BCFMA workplace. The WES Action Team, a collaborative leadership/employee action group, identified successes and challenges experienced by staff and developed action plans/solutions to address the outstanding needs of the organization.

Objective 3.2: Provide employees with the skills and development opportunities needed to perform their jobs effectively

Providing employees with the skills and resources they need to be successful in the workplace supports job satisfaction, professional development, and contributes to the effective delivery of family maintenance services.

Key results

- Trained all staff on the operation and use of a new HRIS that transformed a paper-based timekeeping and payroll process to a new streamlined and high-performance system framework and platform
- Established a Quality Assurance Team and held World Quality Week training sessions
- Client referral guide training held to better connect clients with Indigenous, family, counseling/mental health, and safety/family violence support services
- New partner referrals were spotlighted during All-Agency meetings to highlight services and resources available for clients

Summary of progress made in 2024/25

BCFMA designed, built, and trained all staff in the operation and use of a new HRIS platform and framework that was launched in January 2025. The Agency's previous paper-based timekeeping and payroll process system had become out-dated. The new system manages human capital more efficiently and provides reporting mechanisms that didn't exist previously. Additional benefits include centralized and streamlined workforce management, improved efficiency and compliance, audit mechanisms, reporting and analytics, as well as an enhanced employee experience.

A Quality Assurance and Risk Management Framework was developed to provide a structured approach to ensure, maintain, and improve service quality across the Agency. The quality framework resulted in a Quality Assurance Team being created to ensure client-centric, inclusive, and accessible support is delivered by staff while ensuring the program is delivered in compliance with privacy, legislative, and regulatory standards. The Quality Assurance Team provided staff with resources, measurable standards, and training sessions that encouraged continuous improvement of job performance, which has led to better outcomes for our clients. BCFMA celebrated World Quality Week in November 2024 by holding a series of training sessions that focused on making effective referrals, enhancing client engagement, and improving communication skills to foster deeper connections with clients.

Client referral training ensures clients are referred to a broad range of Indigenous, family, counseling/mental health, and safety/family violence services both inside and outside of government. In February of 2025 BCFMA implemented the Genesys cloud-based telephony contact system. The new system maximizes flexibility and scalability of BCFMA's phone system, including improved sound clarity and call routing. Staff were trained on the new Genesys system, as well as on annual mental health and wellness, and the Agency's new age of majority policies and operating procedures regarding child enforceability.

Performance measure(s) and related discussion

Performance Measure	2023/24 Actual	2024/25 Target	2024/25 Actual
3b – Develop and implement Professional Development Plans for all staff ^{1,2}	n/a	Plan framework completed	n/a

Data source: BCFMA

¹PM 3b targets for 2025/26 and 2026/27 were stated in the 2024/25 service plan as 75% of staff have a plan and 100% of staff have a plan, respectively.

²This performance measure was changed in the 2025/26 service plan.

During 2023/24, BCFMA began to develop a Professional Development Plan (PDP) framework with a target to complete the framework by the end of 2024/25. PDPs were to take training management a step further by ensuring employees' specific professional development needs and career aspirations are met. During 2024/25 the Agency re-adjusted to a more introductory Performance Appraisal (PA) model for evaluating employee performance that fosters greater communication between managers and employees. PA Plans include the elements of building out tools and supports for employee goal setting, continuous feedback, and coaching. These activities better support initial employee career development and organizational succession planning by helping employees to identify their key strengths and weaknesses, highlight areas for improvement, and set shorter-term actionable goals. Benefits/outcomes from PA planning include improved communication, accountability, customer service, goal alignment, and employee engagement and performance.

PA Plans are part of building a complete and balanced employee assessment and development plan. In future years, once employees have been properly assessed, BCFMA expects to move forward with more detailed Professional Development Planning, which will look to align employees' professional development and career aspirations with the organization's goals, performance measures, and business needs.

Financial Report

For the auditor's report and audited financial statements, see [Appendix B](#). These documents can also be found on the [BC Family Maintenance Agency website](#).

Discussion of Results

BCFMA's financial results for the year ended March 31, 2025, should be read in conjunction with BCFMA's audited financial statements, including accompanying notes. The information provided in BCFMA's financial reporting is prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

BCFMA's largest expenditure is salaries and benefits, which expended \$17.741 million and accounted for 80.2 per cent of spending during 2024/25. Facilities, including leases and building management costs for BCFMA's three office locations are the second largest expenditure at \$2.472 million. In general, the unit cost of key operational items purchased by the Agency continues to increase year over year. Information Technology (IT) licensing costs, contractor rates, and Facilities costs have all risen significantly, resulting in lowering BCFMA's overall purchasing power. Although travel, shipping, postage, and paper per unit costs have all increased somewhat, the Agency has learned to do more with less. Higher Other Income and Recoveries revenues buoyed by higher-than-expected interest rates have off-set some of these higher costs. A strong expense management review process was utilized to control costs/minimize liabilities.

Financial Summary¹

(\$m)	2023/24 Actual	2024/25 Budget	2024/25 Actual	2024/25 Variance
Revenues				
Provincial Transfers ²	21.331	21.895	22.039	0.144
Other Income & Recoveries	0.087	0.024	0.082	0.058
Total Revenue	21.418	21.919	22.121	0.202
Expenses				
Salaries and Benefits	17.354	17.878	17.741	(0.137)
Travel	0.099	0.098	0.098	0.000
Contracts	0.136	0.105	0.172	0.067
Information Technology	1.045	0.943	1.110	0.167
Office Expenses and Equipment	0.336	0.335	0.292	(0.043)
Facilities	2.144	2.216	2.472	0.256
Miscellaneous	0.304	0.344	0.236	(0.108)
Total Expenses	21.418	21.919	22.121	0.202
Annual Surplus	0.000	0.000	0.000	0.000
Total Debt	0.000	0.000	0.000	0.000
Capital Expenditures	0.000	0.000	0.000	0.000
Accumulated Surplus	0.000	0.000	0.000	0.000

¹ The above financial information was prepared based on current Generally Accepted Accounting Principles.

² Provincial transfers include \$0.366 million in federal flow-through funding.

Variance and Trend Analysis

For 2024/25, BCFMA experienced an increase in operational revenue of \$130,000 from a three per cent Shared Recovery Mandate in-range salaries and benefits increase, and an additional \$133,707 in contingency funding provided to address extra costs required to meet Public Sector Pension Plan policy changes and to cover increases to Short-Term Disability premiums. The Ministry of Attorney General confirmed during the fiscal year that the \$263,707 will be converted into base Operational Revenue for BCFMA for each of the next three fiscal years.

Operational costs have been minimized through effective management and oversight of expenses. During 2024/25 savings were captured through several initiatives, including during negotiations with BCFMA's benefits provider, minimizing office expenses, and through lower usage of external legal counsel retainers. Previous investments in employee health and well-being supports and services continued to contribute to less leave liability. An ongoing focus to

reduce environmental impacts and lower office expenses by making changes to BCFMA's form letter business processes and technical designs has resulted in significantly less paper usage and postage spending.

Risks and Uncertainties

BCFMA operations are funded through provincial government appropriations. The organization allocates this funding to programs that deliver on its mandate, as described in the BCFMA [2021/22 Mandate Letter](#) and [2023 Mandate Letter](#). The funding provides BCFMA with the necessary means to address the family support priorities that matter for British Columbians, while strong financial management practices are maintained, and a balanced budget is met.

BCFMA is subject to financial pressures resulting from increasing total compensation costs, facilities expense increases, costs associated with managing information such as digital strategies, and changes to inflation and interest rates. The Agency is also affected by global economic uncertainty and costs associated with tariffs. These key pressures/risks are managed through optimization of operational efficiencies and business effectiveness, including making investments in continual improvement of business/workforce productivity and employee engagement, building internal talent/capabilities to address succession planning, restructuring, developing innovative program partnerships, improving program delivery, and by working with partners to explore business development opportunities.

BCFMA IM/IT systems development planning ensures strategic IT goals and objectives align with the vision and mission of the Agency. BCFMA's Business Technology and Solutions Division development strategies for 2024/25 included conducting a high-level gap analysis of our current cybersecurity defences, policies and countermeasures, and the implementation of a HRIS. The modernized HRIS has resulted in stronger payroll and human resources management functions and has made human resources financial reporting more accurate, reliable, and timely.

Appendix A: Progress on Mandate Letter Priorities

The following is a summary of progress made on priorities as stated in the 2021/22 and 2023 Mandate Letters from the Minister Responsible.

2021/22 Mandate Letter Priority	Status as of March 31, 2025
<p>Address the needs of recipients and payors as they cope with the fiscal impacts of COVID-19.</p>	<ul style="list-style-type: none"> • Complete - Prior to the COVID-19 pandemic, BCFMA staff worked solely in an office environment, as the organization did not have the required infrastructure to support a comprehensive and safe remote work environment. BCFMA quickly shifted focus to enable changes to business processes that addressed multiple service delivery challenges and alter infrastructure, to allow staff to provide the enhanced services that families rely on. • Times during the COVID-19 pandemic were challenging due to high unemployment rates, reduced incomes and the general stress created by the pandemic. BCFMA worked with stakeholders and partners to align actions and policies during these unprecedented times, including pausing some enforcement activities and ensuring that Agency actions were reflective of BCFMA's vision of supporting B.C. families.
<p>Develop the BCFMA's governance structure and support the Ministry of Attorney General to identify and appoint candidates for an experienced and diverse Board of Directors.</p>	<ul style="list-style-type: none"> • Complete - BCFMA worked closely with the Ministry of Attorney General and the Crown Agencies and Board Resourcing Office to appoint three new Board members during September of 2023. The additional Board members improved Board diversity and enabled BCFMA to further define its role, authority, accountability, and transparency.

2021/22 Mandate Letter Priority	Status as of March 31, 2025
Establish a permanent and financially sustainable service delivery model for the BCFMA.	<ul style="list-style-type: none"> • Complete - A permanent financially sustainable service delivery model for BCFMA was established during 2021/22. Government's commitment to BCFMA enabled the organization to further protect the interests of British Columbia's most vulnerable populations.
2023 Mandate Letter Priority	Status as of March 31, 2025
Undertake consultations with First Nation communities and leadership to explore new service delivery models that contribute to reconciliation and support the <i>Declaration on the Rights of Indigenous Peoples Act</i> .	<ul style="list-style-type: none"> • In Progress – BCFMA's Indigenous Client Services Team continues to develop a trauma-informed, end-to-end service delivery model that is specific for First Nations clients. These specialized, trained staff are reducing barriers, building relationships, and providing additional supports with First Nations clients by exploring new methods for strengthening communications through the development of information sharing agreements and third-party disclosures. • A further benefit of the Indigenous Client Services Team includes increasing the number of referrals to and conducting outreach/education presentations with Indigenous communities and partner services and supports organizations such as Justice Access Centres. • BCFMA supports Indigenous and other cultural populations towards improving their standard of living. The Agency delivers programs in alignment with the Calls to Action of the Truth and Reconciliation Commission and the B.C. <i>Declaration on the Rights of Indigenous Peoples Act</i>. BCFMA's commitment to lasting and meaningful reconciliation is demonstrated through dedicated staff, Indigenous-specific training of all staff, and referral/relationship building efforts.

2021/22 Mandate Letter Priority	Status as of March 31, 2025
<p>Modernize BC Family Maintenance Agency business practices and service delivery levels to better meet the modern service needs of clients and enhance support of individuals and families.</p>	<ul style="list-style-type: none"> • In Progress - During 2024/25, the Agency implemented several key information technology projects, including launching a new, high-performance Human Resources Information System for timekeeping and payroll, a modernized Intranet to seamlessly share in-house information, documents, and training, and the Genesys cloud-based telephony contact system. BCFMA also made enhancements to the BCFMA mobile app. • Efforts continue to migrate all BCFMA IT infrastructure to Microsoft 365/Cloud technology and to upgrade portions of the existing Case Management System interface/application with updated technology.

Appendix B: Auditor's Report and Audited Financial Statements

Financial Statements of

BC FAMILY MAINTENANCE AGENCY

And Independent Auditor's Report thereon

Year ended March 31, 2025

MANAGEMENT'S REPORT

Management's Responsibility for the Financial Statements

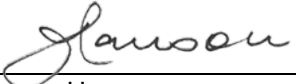
The financial statements have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, 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 1 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 are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and external audited financial statements yearly. The Board also discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The external auditors, KPMG LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of BC Family Maintenance Agency and meet when required. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of BC Family Maintenance Agency



Joanne Hanson
Chief Executive Officer



Li Wen
Chief Financial Officer

May 15, 2025



KPMG LLP

St. Andrew's Square II
800-730 View Street
Victoria BC V8W 3Y7
Canada
Telephone 250 480 3500
Fax 250 480 3539

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of BC Family Maintenance Agency

Opinion

We have audited the financial statements of the BC Family Maintenance Agency (the "Agency"), which comprise:

- the statement of financial position as at March 31, 2025
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Agency as at March 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Agency 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.



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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Agency'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 Agency or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Agency'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 auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency'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 Agency'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 Agency to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants

Victoria, Canada
May 15, 2025

BC FAMILY MAINTENANCE AGENCY

Statement of Financial Position

March 31, 2025, with comparative information for 2024

	2025	2024
Financial Assets		
Cash and cash equivalents	\$ 1,009,992	\$ 748,913
Accounts receivable (note 2)	15,704	8,062
	1,025,696	756,975
Liabilities		
Accounts payable and accrued liabilities (note 3)	835,850	500,755
Accrued employee benefits (note 4)	666,520	610,220
	1,502,370	1,110,975
Net debt	(476,674)	(354,000)
Non-Financial Assets		
Tangible capital assets (note 5)	15,854	35,803
Prepaid expenses	460,820	318,197
	476,674	354,000
Accumulated surplus	\$ -	\$ -

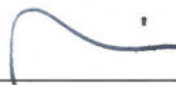
Trust fund (note 6)
Contractual obligations (note 7)

See accompanying notes to financial statements.

Approved on behalf of the Board:



Richard J.M. Fyfe, K.C.
Chair



Johanne Blenkin
Finance and Corporate Services Committee Chair

BC FAMILY MAINTENANCE AGENCY

Statement of Operations and Accumulated Surplus

Year ended March 31, 2025, with comparative information for 2024

	Budget (note 1(i))	2025	2024
Revenue:			
Provincial funding	\$ 21,810,000	\$ 21,823,962	\$ 21,116,144
Federal funding	215,000	215,000	215,000
Interest	88,171	81,822	86,556
	22,113,171	22,120,784	21,417,700
Expenses:			
Salaries and benefits	13,895,685	13,704,701	13,343,674
Operating benefits	2,737,323	2,668,419	2,617,109
Facilities	2,186,030	2,472,168	2,143,783
B&T solutions	1,077,820	1,110,278	1,044,806
Management benefits	661,147	656,416	661,282
Default fee salaries and benefits	400,000	400,000	400,000
Office expenses and equipment	325,304	292,011	335,537
Legal benefits	320,457	311,811	331,895
Contracts	133,093	172,178	135,930
Staff development	123,696	92,277	130,966
Other costs	100,697	123,028	113,860
Amortization	76,768	19,949	59,555
Travel	75,151	97,548	99,303
	22,113,171	22,120,784	21,417,700
Surplus for the year	-	-	-
Accumulated surplus, beginning of year	-	-	-
Accumulated surplus, end of year	\$ -	\$ -	\$ -

See accompanying notes to financial statements.

BC FAMILY MAINTENANCE AGENCY

Statement of Changes in Net Debt

Year ended March 31, 2025, with comparative information for 2024

	Budget (note 1(i))	2025	2024
Surplus for the year	\$ -	\$ -	\$ -
Acquisition of tangible capital assets	-	-	(1,617)
Amortization of tangible capital assets	76,768	19,949	59,555
	76,768	19,949	57,938
Acquisition of prepaid expenses	-	(918,863)	(736,240)
Use of prepaid expense	-	776,240	735,992
	-	(142,623)	(248)
(Increase) decrease in net debt	76,768	(122,674)	57,690
Net debt, beginning of year	(354,000)	(354,000)	(411,690)
Net debt, end of year	\$ (277,232)	\$ (476,674)	\$ (354,000)

See accompanying notes to financial statements.

BC FAMILY MAINTENANCE AGENCY

Statement of Cash Flows

Year ended March 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operating activities:		
Surplus for the year	\$ -	\$ -
Amortization	19,949	59,555
Net changes in non-cash operating working capital:		
Accounts receivable	(7,642)	233,539
Accounts payable and accrued liabilities	335,095	52,169
Accrued employee benefits	56,300	30,462
Prepaid expenses	(142,623)	(248)
	261,079	375,477
Capital activities:		
Acquisition of tangible capital assets	-	(1,617)
Financing activities:		
Capital lease payments	-	(18,033)
Increase in cash and cash equivalents	261,079	355,827
Cash and cash equivalents, beginning of year	748,913	393,086
Cash and cash equivalents, end of year	\$ 1,009,992	\$ 748,913

See accompanying notes to financial statements.

BC FAMILY MAINTENANCE AGENCY

Notes to Financial Statements

Year ended March 31, 2025

Nature of operations:

BC Family Maintenance Agency Ltd. (the "Agency") was incorporated on June 17, 2019 under the Business Corporations Act. The BC Family Maintenance Agency (BCFMA) is dedicated to assisting families with the administration of their maintenance ensuring BC's children and families receive the financial support that they are entitled to under provincial and federal law. The Agency commenced operations on November 1, 2019.

1. Significant accounting policies:

The financial statements of the Agency are prepared by management in accordance with Canadian public sector accounting standards. Significant accounting policies adopted by the Agency are as follows:

(a) Basis of accounting:

The Agency follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Amounts received in advance of services being provided are deferred until the service is provided. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(b) Revenue recognition:

Revenues are recognized on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible and can be reasonably estimated.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose. Restricted contributions that must be maintained in perpetuity are recorded as revenue when received or receivable, and are presented as non-financial assets in the statement of financial position.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

(c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and demand deposits that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value.

BC FAMILY MAINTENANCE AGENCY

Notes to Financial Statements

Year ended March 31, 2025

1. Significant accounting policies (continued):

(d) Financial instruments:

Financial instruments are recorded at fair value on initial recognition and are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Company has not elected to carry any such financial instruments at fair value. Financial instruments are adjusted by transaction costs incurred on initial acquisition, which are amortized using the straight-line method. Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment.

(e) Financial assets and liabilities:

Financial assets and liabilities include cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities, and accrued employee benefits.

All non-cash financial assets and liabilities are recorded at amortized cost.

(f) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(g) 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. Tangible capital assets are amortized on a straight-line basis as follows:

Asset	Rate
Computer equipment	25%

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Agency'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.

(h) Employee future benefits:

The Agency and its employees make contributions to a legacy defined contribution pension plan and the Public Service Pension Plan, a multi-employer defined benefit pension plan. Contributions to both plans are expensed as incurred. The cost of non-vesting accumulating sick leave benefits are actuarially determined using management's best estimate of salary escalation, accumulated sick days, sick leave utilization, long-term inflation rates and discount rates.

BC FAMILY MAINTENANCE AGENCY

Notes to Financial Statements

Year ended March 31, 2025

1. Significant accounting policies (continued):

(i) Budget figures:

Budget figures have been provided for comparative purposes and have been derived from the Agency's Fiscal 2024/2025 Budget forecast approved by the Board of Directors on June 5, 2024. The budget is reflected in the statements of operations and accumulated surplus and changes in net debt.

(j) Leased tangible capital assets:

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(k) Measurement uncertainty:

The preparation of financial statements requires management to make estimates and assumptions which 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 expense during the period. Key estimates include assumptions used in employee benefits, rates for amortization, impairment of assets and provisions for losses incurred. Actual results could differ from those estimated.

(l) Asset retirement obligations:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- the past transaction or event giving rise to the liability has occurred;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

There are no asset retirement obligations recorded in these financial statements.

(m) New accounting standards:

Effective April 1, 2024, the Agency adopted section 3400 *Revenue*. This standard establishes a single framework to categorize revenue to enhance the consistency of revenue recognition and its measurement, and specifically, it addresses revenue arising from exchange transactions and non-exchange transitions. The Agency performed a review of its existing revenues and noted no impact as a result of this new standard.

BC FAMILY MAINTENANCE AGENCY

Notes to Financial Statements

Year ended March 31, 2025

2. Accounts receivable:

	2025	2024
GST receivable and other	\$ 15,704	\$ 8,062

3. Accounts payable and accrued liabilities:

	2025	2024
Trade accounts payables	\$ 314,081	\$ 169,633
Other accrued liabilities	365,359	263,189
Salary and benefits payable	156,410	67,933
	\$ 835,850	\$ 500,755

4. Accrued employee benefits:

Accrued employee benefits are made up of accumulated vacation entitlement and sick leave.

(a) Accumulated vacation:

Employees may carry up to a maximum of six or ten days of vacation over to the next fiscal year (dependent on union status). As at March 31, 2025 the balance of this accumulated vacation was \$291,951 (2024 - \$260,345).

(b) Accumulated sick leave:

Employees are entitled to ten days non-vesting sick leave whereby they are credited days per year, 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 an 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 recorded in the financial statements. The liability recorded is equal to the expected future use of accrued sick leave. As at March 31, 2025 the balance of accumulated sick leave was \$374,569 (2024 - \$349,875).

BC FAMILY MAINTENANCE AGENCY

Notes to Financial Statements

Year ended March 31, 2025

5. Capital assets:

			2025	2024
	Cost	Accumulated amortization	Net book value	Net book value
Computer equipment	\$ 40,770	\$ 24,916	\$ 15,854	\$ 35,803

Amortization expense of \$19,949 (2024 - \$59,555) was recorded in the current year, which includes \$nil (2024 - \$28,806) related to assets under capital lease.

6. Trust fund:

The trust fund is a Provincial Government account and represents money received from or on behalf of debtors which, in turn, are payable to creditors and/or debtors as well as enforcement fees payable to the Province for services rendered for the creditors and/or debtors. These funds have not been included in the statement of financial position nor have their operations been included in the statement of operations. This fund is administered by the Agency, but is not the property of the Agency.

	2025	2024
Trust fund balance as of March 31	\$ 12,089,979	\$ 10,802,950
Trust liabilities as of March 31	(12,089,979)	(10,802,950)
	\$ -	\$ -

7. Contractual obligations:

(a) Premise leases:

The Agency has entered into leases expiring in March 2027 and 2030. Minimum lease payments and estimated operating costs are as follows:

2026	\$ 2,261,491
2027	2,273,123
2028	1,466,619
2029	1,473,986
2030	1,481,427
	\$ 8,956,646

BC FAMILY MAINTENANCE AGENCY

Notes to Financial Statements

Year ended March 31, 2025

8. Defined contribution pension plan and PSPP:

The Agency contributes to a defined contribution plan that provides pension benefits to its employees. Participation in the plan is compulsory for all eligible employees meeting certain conditions. The Agency contributes 9.43% and the employee contributes 5% of gross annual salary. In 2025, the Agency contributed \$34,601 (2024 - \$41,624) to the plan.

The Agency and its employees make contributions to the Public Service Pension Plan (the "Plan"), a jointly trustee pension plan. The Public Service Pension Board of Trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at March 31, 2024, the Plan had approximately 71,000 active members and 55,000 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 as at March 31, 2023 indicated a surplus of \$4,491 million for basic pension benefits on a going concern basis. The next valuation will be as at March 31, 2026, with results available in 2027. Contributions to the plan by the Agency totaled \$1,256,919 (2024 - \$1,250,891) during the year.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is 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 cost to individual employers participating in the plan.

BC FAMILY MAINTENANCE AGENCY

Notes to Financial Statements

Year ended March 31, 2025

9. Financial risk management note:

The nature of the program's operations results in a statement of financial position that consists primarily of financial instruments. The risks that arise are credit risk, market risk (consisting of interest rate risk, foreign exchange risk and equity price risk) and liquidity risk.

(a) Credit risk:

The program is not subject to significant credit risk as most financial assets are amounts due from the Province of British Columbia.

(b) Market risk:

Market risk represents the potential for loss from changes in the value of financial instruments. Value can be affected by changes in interest rates, foreign exchange rates and equity prices.

The program is not generally subject to market risk.

(c) Liquidity risk:

Liquidity risk is the risk that the program is unable to meet its financial obligations as they fall due. The program is not subject to significant liquidity risk as financial obligations are funded through receivables from the Province of British Columbia.

There have been no changes to the risk exposures from 2024.