

Date Issued: July 11, 2025

File: SC-2024-004876

Type: Small Claims

Civil Resolution Tribunal

Indexed as: EXP Services Inc. v. Limelight Childcare Center Inc., 2025 BCCRT 951

BETWEEN:

EXP SERVICES INC. LES SERVICES EXP INC.

APPLICANT

AND:

LIMELIGHT CHILDCARE CENTER INC.

RESPONDENT

**REASONS FOR DECISION** 

Tribunal Member:

Kandis McCall

### INTRODUCTION

- This is a dispute about an unpaid invoice. The applicant, EXP Services Inc. Les Services Exp Inc. (EXP) says it conducted an environmental assessment and prepared a report for the respondent, Limelight Childcare Center Inc. (Limelight), which did not pay the amount invoiced. EXP claims \$2,625 in debt plus contractual interest.
- Limelight acknowledges it contracted for EXP's services, but says after signing the contract, it learned the services were unnecessary. It says its mortgage broker and EXP's director together misled Limelight into believing a new assessment and report were required when they were not.
- 3. EXP is represented by a director and Limelight is represented by someone whom I infer is an authorized employee.

### JURISDICTION AND PROCEDURE

- 4. The Civil Resolution Tribunal (CRT) has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). The CRT's mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly. In resolving disputes, the CRT must apply principles of law and fairness. These are the CRT's formal written reasons.
- 5. CRTA section 39 says the CRT has discretion to decide the hearing's format, including by writing, telephone, videoconferencing, email, or a combination of these. Here, I find that I am properly able to assess and weigh the documentary evidence and submissions before me. Further, bearing in mind the CRT's mandate that includes proportionality and a speedy resolution of disputes, I find that an oral hearing is not necessary in the interests of justice.
- CRTA section 42 says the CRT may accept as evidence information that it considers relevant, necessary and appropriate, whether or not the information would be admissible in court.

7. Where permitted by CRTA section 118, in resolving this dispute the CRT may order a party to do or stop doing something, pay money or make an order that includes any terms or conditions the CRT considers appropriate.

#### **Preliminary Issue**

- 8. In its Dispute Response, Limelight says they are counterclaiming against EXP's director, JR, and Limelight's mortgage broker, S. It says JR and S misrepresented the need for an environmental assessment and report and were in a conflict of interest. Limelight says it seeks a judgment that JR and S engaged in conduct that constituted misrepresentation and a conflict of interest and seeks damages for undue delay and financial imposition.
- 9. Limelight did not file a counterclaim, which would have involved submitting a CRT application for dispute resolution and paying an application fee.
- 10. EXP is a distinct legal entity, separate from its director, JR. Although Limelight's proposed counterclaim is related to the same matter at issue, the parties it wants to claim against, JR and S, are not parties to this dispute. For that reason, I have not considered Limelight's proposed counterclaim further or delayed the process to allow it time to file a formal claim at this late stage in the proceeding.

## ISSUE

11. The issue in this dispute is whether Limelight is responsible to pay EXP \$2, 625 plus contractual interest for the environmental assessment and report.

# **EVIDENCE AND ANALYSIS**

12. In a civil proceeding like this one, the applicant EXP must prove its claim on a balance of probabilities. I have read all the parties' submissions and evidence but refer only to the evidence and argument that I find relevant to provide context for my decision.

- 13. The parties agree that Limelight hired EXP to perform an environmental assessment and prepare a report in relation to a property Limelight intended to purchase. EXP submitted into evidence a contract signed by both parties on July 25, 2023, authorizing the work. The contract set out the estimated cost at \$2,500 plus applicable taxes.
- 14. Because both EXP and Limelight signed the contract, I find they agreed to be bound by its terms.
- 15. On August 2, 2023, EXP emailed TZ, who appears to be Limelight's realtor, asking them to arrange for a site visit. TZ replied the same day and asked whether it was possible to proceed with a different phase of assessment instead of phase 1, which was what had been contracted for. EXP replied that it was authorized to complete phase 1.
- 16. I understand TZ's email, which I infer was sent on behalf of Limelight, to be a request to change the contract's terms by changing the type of assessment done.
- 17. It is possible for a contract to be changed or terminated after it has been established, but both parties would have to agree. I find that EXP's reply clearly showed EXP did not agree to end the contract or change its terms.
- 18. Neither party provided the date on which the work was completed and the report produced, but Limelight does not dispute that EXP did what it was required to do under the contract.
- 19. Limelight argues that the work was unnecessary, and that both EXP and S misrepresented whether the assessment was required for financing purposes.
- 20. A misrepresentation is a false statement of fact made during negotiations that has the effect of inducing a reasonable person to enter the contract (see O'Shaughnessy v. Sidhu, 216 BCPC 308). The problem with Limelight's defence is that it provided no evidence or argument around what was said during the negotiation period. The email evidence before me shows there was some

discussion between the parties about whether the report was required for financing, but the emails are all dated after the parties had already signed the contract. For that reason, I find that even if EXP misrepresented how essential the work was to obtaining financing, Limelight has not proven it relied on that misrepresentation when entering into the contract.

21. I find that EXP has proven that it is entitled to be paid for the work performed under the contract. So, I order Limelight to pay EXP \$2,625, which represents \$2,500 for services and \$125 for GST.

#### Contractual Interest, CRT Fees, and Expenses

- 22. EXP also claims contractual interest on the amount owing. While EXP claims 19.7% annual interest, the parties' contract sets out an annual interest rate of 18% (1.5% per month) on any balance after 30 days. EXP's invoice is dated September 15, 2023. I find EXP is entitled to contractual interest at 18% per year on the \$2,625 owing from October 15, 2023 to the date of this decision. This equals \$823.32.
- 23. Under CRTA section 49 and CRT rules, the CRT will generally order an unsuccessful party to reimburse a successful party for CRT fees and reasonable dispute-related expenses. I see no reason in this case not to follow that general rule. I find EXP is entitled to reimbursement of \$125 in CRT fees. EXP did not claim any dispute-related expenses.

#### ORDERS

- 24. Within 30 days of the date of this decision, I order Limelight to pay EXP a total of \$3,573.32, broken down as follows:
  - a. \$2,625 in debt for unpaid services,
  - b. \$823.32 in pre-judgment interest under the Court Order Interest Act, and
  - c. \$125 for CRT fees.

- 25. EXP is entitled to post-judgment interest, as applicable.
- 26. This is a validated decision and order. Under CRTA section 58.1, a validated copy of the CRT's order can be enforced through the Provincial Court of British Columbia. Once filed, a CRT order has the same force and effect as an order of the Provincial Court of British Columbia.

Kandis McCall, Vice Chair