

Veterans Review and Appeal Board Quarterly Financial Report

For the quarter ended December 31, 2022

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I. Statement outlining results, risks and significant changes in operations, personnel and program for the quarter ended December 31, 2022

1. Introduction

This quarterly report has been prepared by management as required by section 65.1 of the [Financial Administration Act](#) and in the form and manner prescribed by the Treasury Board. This quarterly report should be read in conjunction with the [Main Estimates](#).

The Veterans Review and Appeal Board (VRAB) is the arm's-length administrative tribunal that provides an independent avenue of redress for disability benefits decision made by Veterans Affairs Canada. The Board supports Veterans, Canadian Armed Forces and RCMP members, and their families in obtaining the benefits they are entitled to for service-related disabilities. The Board gives Veterans their only opportunity to appear before decision-makers to tell their story. The Board's program is not only essential to fairness in the disability benefits adjudication system, it is important to the well-being of Veterans and their families. Board Members and staff keep this front of mind as we work together to deliver the appeal program and look for ways to better serve Veterans and their families.

The Board offers two levels of redress for disability benefits decisions: a Review hearing; and, if the Veteran remains dissatisfied, a subsequent Appeal hearing. It also provides the final level of appeal for War Veterans Allowance decisions. The Board is a micro-organization with a small, dedicated staff. The Board has up to 25 full-time Members who hear cases brought forward for redress at the Board, and decide whether the evidence meets the requirements of the legislation to award new or increased levels of disability benefits. In deciding cases, they conduct a thoughtful analysis of all available information (i.e. oral testimony, medical reports, opinion evidence from experts, written statements, etc.) and discuss the merits of the case, bearing in mind the requirement to resolve any doubt in the weighing of evidence in favour of the Veteran.

A summary description of the Veterans Review and Appeal Board program activities can be found in Part II of the [Main Estimates](#).

Basis of Presentation

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the Board's spending authorities granted by Parliament and those used by the Board, consistent with the Main Estimates for the 2022-2023 fiscal year. This quarterly report has been prepared using a special purpose financial reporting framework designed to meet financial information needs with respect to the use of spending authorities.

The authority of Parliament is required before monies can be spent by the Government. Approvals are given in the form of annually approved limits through appropriation acts or through legislation in the form of statutory spending authority for specific purposes.

When Parliament is dissolved for the purposes of a general election, section 30 of the Financial Administration Act authorizes the Governor General, under certain conditions, to issue a special warrant authorizing the Government to withdraw funds from the Consolidated Revenue Fund. A special warrant is deemed to be an appropriation for the fiscal year in which it is issued.

The Board uses the full accrual method of accounting to prepare and present its annual financial statements that are part of the departmental results reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis. The quarterly report has not been subject to an external audit or review.

2. Highlights of Fiscal Quarter and Fiscal Year to Date (YTD) Results

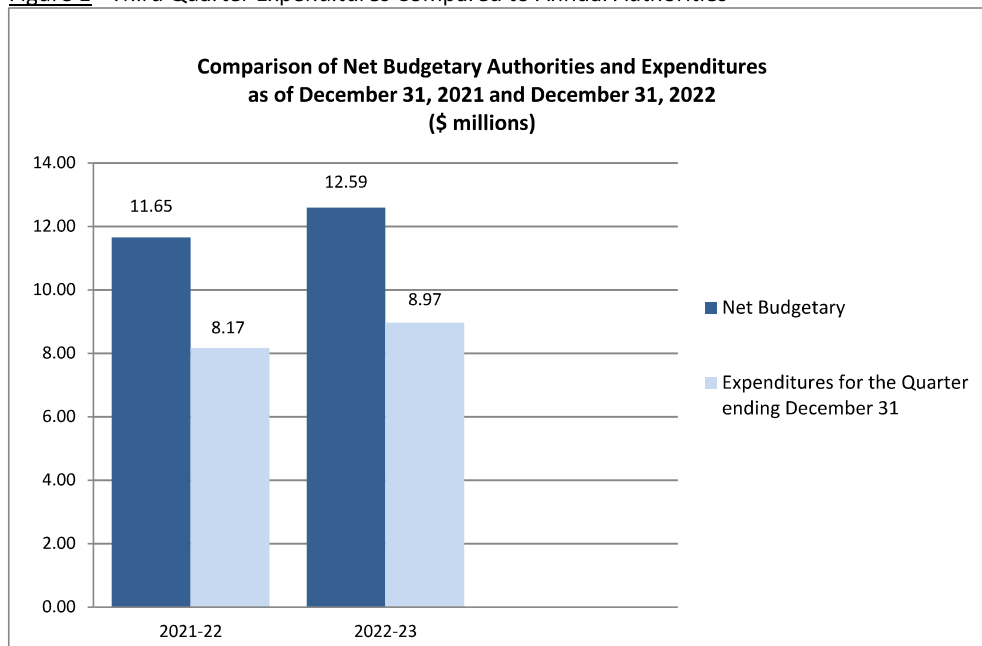
Statement of Authorities

As of December 31, 2022, the Board's total authorities available (i.e. budget) at quarter-end increased by \$938K (8% increase) when compared to amounts available the same quarter of the previous year, from \$11.65M in 2021-22 to \$12.59M in 2022-23. Much of the increase in total authorities can be attributed to funding received during the quarter relating to compensation for newly signed collective agreements.

Actual year-to-date expenditures for the Board showed an increase of \$798K (9.8% increase) from \$8.17M in 2021-22 to \$8.97M in 2022-23. This is mainly due to increased expenditures for travel and related expenditures such as room rentals and security.

In-quarter expenditures for the Board showed an increase of \$528K (18.9% increase), from \$2.79M 2021-22 to \$3.32M in 2022-23. This is mainly due to an increase in personnel, travel and related expenditures such as room rentals and security, as discussed above.

Figure 1 - Third Quarter Expenditures Compared to Annual Authorities



Statement of Departmental Budgetary Expenditures by Standard Object

In general, VRAB's expenditures are distributed equally throughout the year. Expenditures at the end of the quarter of \$8.97M (equivalent to 71% of authorities available for use) are relatively consistent with this trend.

3. Risks and Uncertainties

The Veterans Review and Appeal Board is funded through annual appropriations. As a result, its operations are impacted by any changes in funding approved through Parliament.

Context: The Board provides a national appeal program. It holds hearings and issues decisions for Veterans and their families. As a service-oriented agency, the majority of VRAB's operating expenditures are salary based and demand-driven. Managing the demand for hearings is driven by a variety of factors over which the VRAB has limited control.

The Board holds regular meetings to take into account operational priorities, human and financial resources, and performance measures. VRAB recruits new employees, as required, to replace departing staff to ensure adequate operational support to the redress process. Authorities and expenditures are monitored regularly with senior management.

4. Significant changes in relation to operations, personnel and programs

The Board returned to in-person hearings this fiscal year, which has increased the need for travel and related expenditures such as room rentals and security. The Board has also had an increase in personnel. This increased capacity will assist the Board in reducing its wait times for Veterans.

Approved by:

**McNeil,
Christopher**  Digitally signed by McNeil, Christopher
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Christopher J. McNeil, Chair
Veterans Review and Appeal Board
Charlottetown, PE

Sara Lantz, A/Chief Financial Officer
Veterans Affairs Canada
Charlottetown, PE

III. Financial Statements

Veterans Review and Appeal Board

STATEMENT OF AUTHORITIES *(unaudited)*

Quarterly Financial Report for the Quarter Ended December 31, 2021

Fiscal year 2021-22

<i>(in thousands of dollars)</i>	Planned expenditures for the year ending March 31, 2022 *	Expended during the quarter ended December 31, 2021	Year to date used at quarter-end
Vote 1 - Veterans Review and Appeal Board Operating expenditures	10,323	2,458	7,174
Statutory authorities - Contributions to Employee Benefit Plans - Program	1,331	333	998
Total Budgetary authorities	11,654	2,791	8,172
Non-budgetary authorities	0	0	0
Total Authorities	11,654	2,791	8,172

* Includes only Authorities available for use and granted by Parliament at quarter-end.

Quarterly Financial Report for the Quarter Ended December 31, 2022

Fiscal year 2022-23

<i>(in thousands of dollars)</i>	Planned expenditures for the year ending March 31, 2023 *	Expended during the quarter ended December 31, 2022	Year to date used at quarter-end
Vote 1 - Veterans Review and Appeal Board Operating expenditures	11,241	2,981	7,957
Statutory authorities - Contributions to Employee Benefit Plans - Program	1,350	338	1,013
Total Budgetary authorities	12,591	3,319	8,970
Non-budgetary authorities	0	0	0
Total Authorities	12,591	3,319	8,970

* Includes only Authorities available for use and granted by Parliament at quarter-end.

Veterans Review and Appeal Board
Departmental budgetary expenditures by Standard Object (unaudited)
Quarterly Financial Report for the Quarter Ended December 31, 2021
Fiscal Year 2021-22

Expenditures (in thousands of dollars)	Total available for use for the year ended March 31, 2022*	Used during the quarter ended December 31, 2021	Year to date used at quarter-end
01 Personnel	10,707	2,684	7,949
02 Transportation and communications	237	11	15
03 Information	12	7	7
04 Professional and special services	252	36	113
05 Rentals	28	3	8
06 Repair and maintenance	13	0	0
07 Utilities, materials and supplies	92	15	31
08 Acquisition of land, buildings and works	0	0	0
09 Acquisition of machinery and equipment	313	33	33
10 Transfer payments	0	0	0
11 Public debt charges	0	0	0
12 Other subsidies and payments	0	2	16
Total gross budgetary expenditures	11,654	2,791	8,172
Less Revenues netted against expenditures			
Total Revenues netted against expenditures:	0	0	0
Total net budgetary expenditures	11,654	2,791	8,172

* Includes only Authorities available for use and granted by Parliament at quarter-end.

Quarterly Financial Report for the Quarter Ended December 31, 2022
Fiscal Year 2022-23

Expenditures (in thousands of dollars)	Total available for use for the year ended March 31, 2023 *	Used during the quarter ended December 31, 2022	Year to date used at quarter-end
01 Personnel	11,454	3,173	8,441
02 Transportation and communications	125	72	210
03 Information	14	0	7
04 Professional and special services	338	37	127
05 Rentals	108	-43	47
06 Repair and maintenance	0	0	0
07 Utilities, materials and supplies	117	77	103
08 Acquisition of land, buildings and works	0	0	0
09 Acquisition of machinery and equipment	427	2	2
10 Transfer payments	0	0	0
11 Public debt charges	0	0	0
12 Other subsidies and payments	8	1	33
Total gross budgetary expenditures	12,591	3,319	8,970
Less Revenues netted against expenditures			
Total Revenues netted against expenditures:	0	0	0
Total net budgetary expenditures	12,591	3,319	8,970

* Includes only Authorities available for use and granted by Parliament at quarter-end.