

Veterans Review and Appeal Board Quarterly Financial Report

For the quarter ended 30 June 2023

Table of Contents

- **I. Statement outlining results, risks and significant changes in operations, personnel and program for the quarter ended 30 June 2023**

[1. Introduction](#)

[2. Highlights of Fiscal Quarter and Fiscal Year to-Date \(YTD\) Results](#)

[3. Risks and Uncertainties](#)

[4. Significant Changes in Relation to Operations, Personnel and Programs](#)

- **II. Financial Statements**

[Statement of Authorities \(unaudited\)](#)

[Departmental Budgetary Expenditures by Standard Object \(unaudited\)](#)

I. Statement outlining results, risks and significant changes in operations, personnel and program for the quarter ended 30 June 2023

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 currently has 22 full-time Members (three less than the maximum of 25) 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 favor 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 2023-24 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.

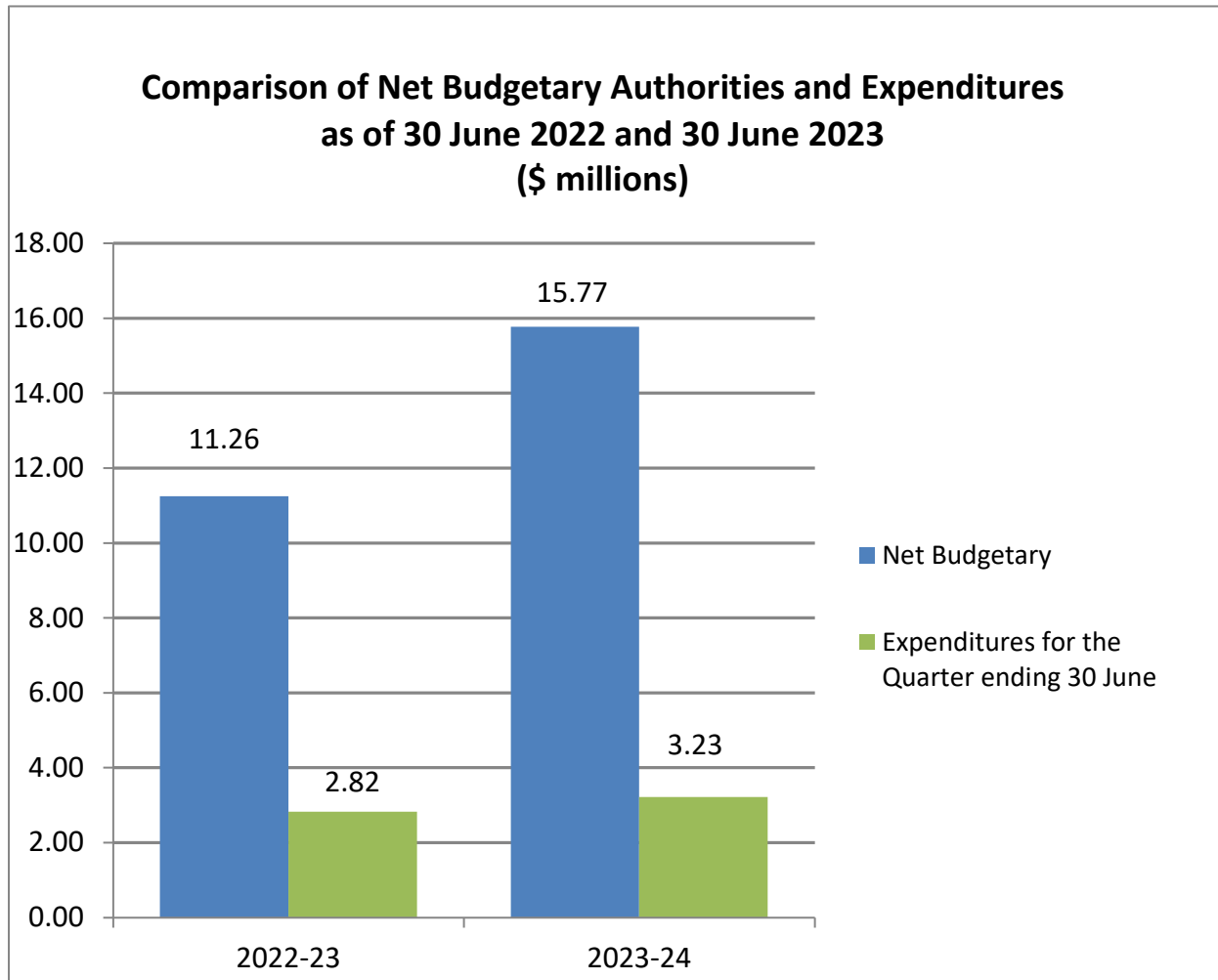
2. Highlights of Fiscal Quarter and Fiscal Year to Date (YTD) Results

Statement of Authorities

As of 30 June 2023, the Board's total authorities available for use (i.e. budget) at quarter end are \$4.51M more when compared to amounts available at the same quarter-end the previous year, from \$11.26M in 2022-23 to \$15.77M in 2023-24. Much of the increase in total authorities can be attributed to temporary funding received through Budget 2022 to help address the increased workload being brought forward to the Board and improve service to Veterans and their families.

Actual year to date expenditures at the end of the first quarter showed an increase of \$403K (14% increase), when compared to the same timeframe in 2022-23. The first quarter of 2023-24 saw an increase in spending on personnel as the Board increased their production capacity, in line with the Budget 2022 initiative, to reduce the growing backlog at the Board and issue decisions to Veterans sooner.

Figure 1 – First 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 first quarter (equivalent to 25% of authorities available for use) are 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 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

As noted, the Board has had an increase in personnel. This increased capacity will continue to assist the Board in its top priority of reducing hearing and decision wait times for Veterans. Through funding committed in Budget 2022, the Board has and continues to reduce wait times for Veterans and their families through increased capacity, integration and innovation. Through Budget 2023, additional funding has been committed to continue these efforts.

Approved by:

Christopher J. McNeil
Chair
Veterans Review and Appeal Board
Charlottetown, PE

Sara Lantz
Chief Financial Officer
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VETERANS REVIEW AND APPEAL BOARD
Quarterly Financial Report
For the quarter ended 30 June 2023

Veterans Review and Appeal Board

STATEMENT OF AUTHORITIES (unaudited)

Quarterly Financial Report for the Quarter Ended 30 June 2022

Fiscal year 2022-23

<i>(in thousands of dollars)</i>	Planned expenditures for the year ending 31 March 2023 *	Expended during the quarter ended 30 June 2022	Year to date used at quarter-end
Vote 1 - Veterans Review and Appeal Board Operating expenditures	9,906	2,486	2,486
Statutory authorities - Contributions to Employee Benefit Plans - Program	1,351	337	337
Total Budgetary authorities	11,257	2,823	2,823
Non-budgetary authorities	0	0	0
Total Authorities	11,257	2,823	2,823

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

Quarterly Financial Report for the Quarter Ended 30 June 2023

Fiscal year 2023-24

<i>(in thousands of dollars)</i>	Planned expenditures for the year ending 31 March 2024*	Expended during the quarter ended 30 June 2023	Year to date used at quarter-end
Vote 1 - Veterans Review and Appeal Board Operating expenditures	13,838	2,743	2,743
Statutory authorities - Contributions to Employee Benefit Plans - Program	1,932	483	483
Total Budgetary authorities	15,770	3,226	3,226
Non-budgetary authorities	0	0	0
Total Authorities	15,770	3,226	3,226

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

VETERANS REVIEW AND APPEAL BOARD
Quarterly Financial Report
For the quarter ended 30 June 2023

Veterans Review and Appeal Board

Departmental budgetary expenditures by Standard Object (unaudited)

Quarterly Financial Report for the Quarter Ended 30 June 2022

Fiscal Year 2022-23

Expenditures (in thousands of dollars)	Total available for use for the year ended 31 March 2023*	Used during the quarter ended 30 June 2022	Year to date used at quarter-end
01 Personnel	10,354	2,619	2,619
02 Transportation and communications	110	67	67
03 Information	11	0	0
04 Professional and special services	207	45	45
05 Rentals	101	53	53
06 Repair and maintenance	0	0	0
07 Utilities, materials and supplies	95	11	11
08 Acquisition of land, buildings and works	0	0	0
09 Acquisition of machinery and equipment	379	0	0
10 Transfer payments	0	0	0
11 Public debt charges	0	0	0
12 Other subsidies and payments	0	28	28
Total gross budgetary expenditures	11,257	2,823	2,823
Less Revenues netted against expenditures			
Total Revenues netted against expenditures:	0	0	0
Total net budgetary expenditures	11,257	2,823	2,823

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

Quarterly Financial Report for the Quarter Ended 30 June 2023

Fiscal Year 2023-24

Expenditures (in thousands of dollars)	Total available for use for the year ended 31 March 2024*	Used during the quarter ended 30 June 2023	Year to date used at quarter-end
01 Personnel	14,646	3,068	3,068
02 Transportation and communications	74	56	56
03 Information	15	0	0
04 Professional and special services	644	44	44
05 Rentals	38	13	13
06 Repair and maintenance	1	0	0
07 Utilities, materials and supplies	110	25	25
08 Acquisition of land, buildings and works	0	0	0
09 Acquisition of machinery and equipment	239	12	12
10 Transfer payments	0	0	0
11 Public debt charges	0	0	0
12 Other subsidies and payments	3	8	8

VETERANS REVIEW AND APPEAL BOARD
Quarterly Financial Report
For the quarter ended 30 June 2023

Total gross budgetary expenditures	15,770	3,226	3,226
Less Revenues netted against expenditures			
Total Revenues netted against expenditures:	0	0	0
Total net budgetary expenditures	15,770	3,226	3,226

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