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Veterans Review and Appeal Board Canada

Tribunal des anciens combattants (révision et appel) Canada

Quarterly Financial Report

2nd Quarter – 2025-2026

Veterans Review and Appeal Board Quarterly Financial Report

For the quarter ended 30 September 2025

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I. Statement outlining results, risks and significant changes in operations, personnel and program for the quarter ended 30 September 2025

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 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 2025-26 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, under certain conditions, the preparation of a special warrants to be signed by the Governor General authorizing payments to be made out of the Consolidated Revenue Fund. Special warrants are deemed to be an appropriation for the fiscal year in which they are issued.

Special warrants issued during the first quarter (Q1) 2025-2026 were included in the total appropriations in Main Estimates 2025-26.

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

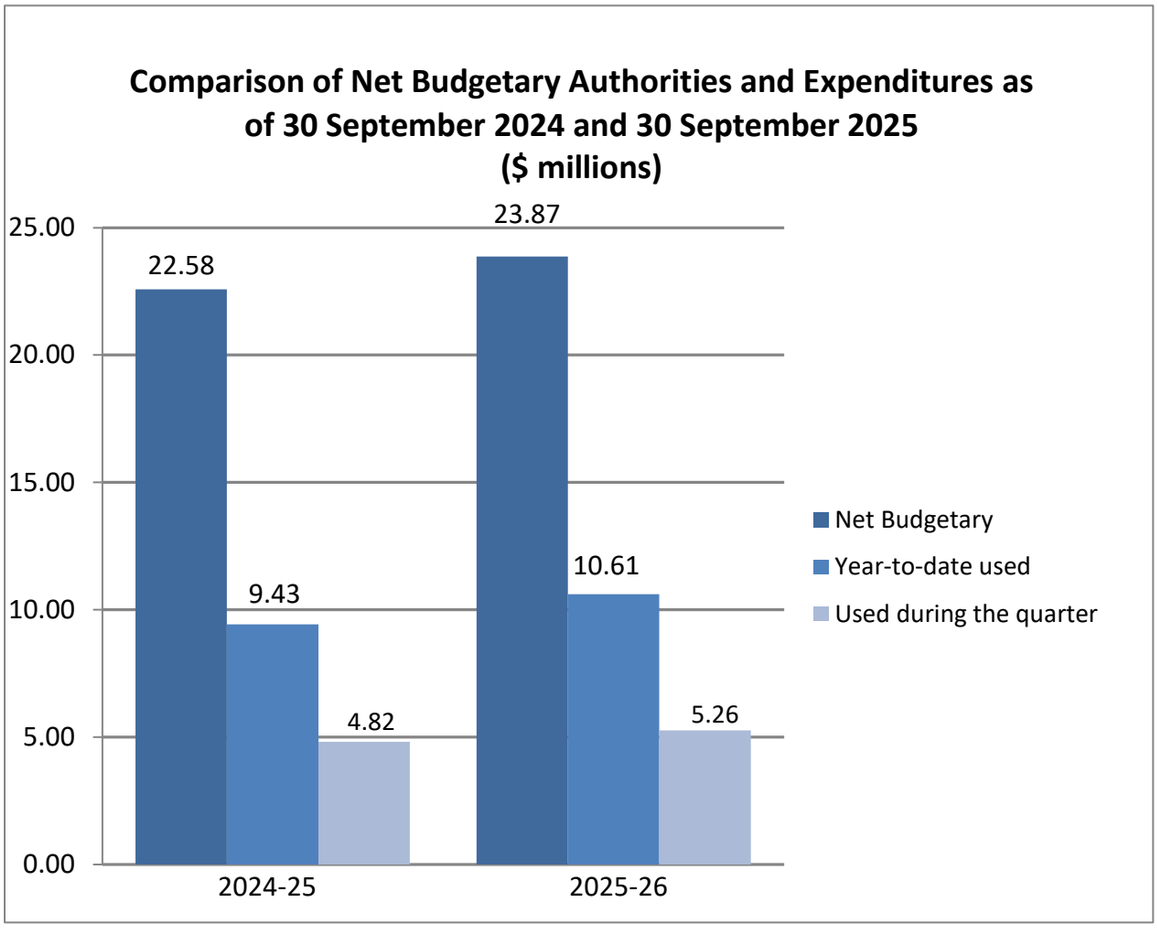
Statement of Authorities

As of 30 September 2025, the Board's total authorities available for use (i.e. budget) at quarter end are $1.29M higher when compared to amounts available at the same quarter-end the previous year, from $22.58M in 2024-25 to $23.87M in 2025-26. Much of the increase in total authorities is attributable to funding received for recently signed collective agreements, as well as the receipt of the Board's operating budget carry forward from the previous fiscal year.

Actual year-to-date expenditures at the end of the second quarter showed an increase of $1.2M (12.43%), when compared to the same timeframe in 2024-25. The first two quarters of 2025-26 saw an increase in spending on personnel as the Board increased their production capacity, in line with the Budget 2023 initiative, to reduce the growing backlog at the Board and issue decisions to Veterans sooner.

Expenditures for the second quarter 2025 show an increase of $445K (9.23%) when compared to the same quarter of the previous year, attributed to the factors outlined in the preceding section.

Figure 1 – Second 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 second quarter (equivalent to 44% 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

The Board continues to experience growing demand for our services. Through funding committed in Budget 2022 and Budget 2023, the Board has and continues to reduce wait times for Veterans and their families through increased capacity, integration and innovation.

Approved by:

Christopher J. McNeil Chair Veterans Review and Appeal Board Charlottetown, PE	Pierre Tessier Chief Financial Officer Veterans Affairs Canada Charlottetown, PE

II. Financial Statements

Veterans Review and Appeal Board
STATEMENT OF AUTHORITIES *(unaudited)*
Quarterly Financial Report for the Quarter Ended September 30, 2024
Fiscal year 2024-25

(in thousands of dollars)	Planned expenditures for the year ending March 31, 2025 *	Expended during the quarter ended September 30, 2024	Year to date used at quarter-end
Vote 1 - Veterans Review and Appeal Board Operating expenditures	20,045	4,184	8,169
Statutory authorities - Contributions to Employee Benefit Plans - Program	2,530	632	1,265
Total Budgetary authorities	22,575	4,816	9,434
Non-budgetary authorities	0	0	0
Total Authorities	**22,575**	**4,816**	**9,434**

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

Quarterly Financial Report for the Quarter Ended September 30, 2025
Fiscal year 2025-26

(in thousands of dollars)	Planned expenditures for the year ending March 31, 2026 *	Expended during the quarter ended September 30, 2025	Year to date used at quarter-end
Vote 1 - Veterans Review and Appeal Board Operating expenditures	21,037	4,553	9,191
Statutory authorities - Contributions to Employee Benefit Plans - Program	2,832	708	1,416
Total Budgetary authorities	23,869	5,261	10,607
Non-budgetary authorities	0	0	0
Total Authorities	**23,869**	**5,261**	**10,607**

** 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 September 30, 2024
Fiscal Year 2024-25

	Expenditures (in thousands of dollars)	Total available for use for the year ended March 31, 2025*	Used during the quarter ended September 30, 2024	Year to date used at quarter-end
01	Personnel	20,865	4,494	8,759
02	Transportation and communications	543	124	233
03	Information	10	0	8
04	Professional and special services	713	112	215
05	Rentals	143	21	29
06	Repair and maintenance	1	0	0
07	Utilities, materials and supplies	246	23	42
08	Acquisition of land, buildings and works	0	0	0
09	Acquisition of machinery and equipment	53	41	144
10	Transfer payments	0	0	0
11	Public debt charges	0	0	0
12	Other subsidies and payments	1	1	4
	Total gross budgetary expenditures	22,575	4,816	9,434
Less Revenues netted against expenditures				
	Total Revenues netted against expenditures:	0	0	0
Total net budgetary expenditures		**22,575**	**4,816**	**9,434**

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

Quarterly Financial Report for the Quarter Ended September 30, 2025
Fiscal Year 2025-26

	Expenditures (in thousands of dollars)	Total available for use for the year ended March 31, 2026*	Used during the quarter ended September 30, 2025	Year to date used at quarter-end
01	Personnel	22,110	4,983	10,004
02	Transportation and communications	490	95	201
03	Information	7	8	14
04	Professional and special services	691	95	194
05	Rentals	260	54	69
06	Repair and maintenance	1	0	3
07	Utilities, materials and supplies	119	13	78
08	Acquisition of land, buildings and works	0	0	0
09	Acquisition of machinery and equipment	190	22	31
10	Transfer payments	0	0	0
11	Public debt charges	0	0	0
12	Other subsidies and payments	1	-9	13
	Total gross budgetary expenditures	23,869	5,261	10,607
Less Revenues netted against expenditures				
	Total Revenues netted against expenditures:	0	0	0
Total net budgetary expenditures		**23,869**	**5,261**	**10,607**

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