

Statement of Management Responsibility

CANADIAN SPACE AGENCY

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2010 and all information contained in these statements rests with the management of the Canadian Space Agency. These financial statements have been prepared by management in accordance with Treasury Board accounting policies, which are based on Canadian generally accepted accounting principles for the public sector.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment, and gives due consideration to materiality. To fulfill its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of the Agency's financial transactions. Financial information submitted in the preparation of the Public Accounts of Canada, and included in the Agency's *Departmental Performance Report*, is consistent with these financial statements.

Management is also responsible for maintaining an effective system of internal control over financial reporting designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are properly authorized and recorded in accordance with the *Financial Administration Act* and other applicable legislation, regulations, authorities and policies.

Management seeks to ensure the objectivity and integrity of data in its financial statements through careful selection, training and development of qualified staff; through organizational arrangements that provide appropriate divisions of responsibility; through communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout the Agency.

The Audit Committee is to provide independent, objective, guidance and assurance on the adequacy of the Agency's risk management, control and accountability process. In accordance with the Treasury Board's directive on Departmental Audit Committee, the Audit Committee has reviewed the Agency's financial statements and has provided advise to the deputy head on any material misstatements or omissions that may come to their attention. A program of internal audit services to enhance accountability for the Agency's objectives also supports management.

The financial statements of the Canadian Space Agency have not been audited.

The original version
was signed by Steve MacLean August 4th, 2010

Steve MacLean Date
President
Longueuil, Québec, Canada

The original version
was signed by Marie-Claude Guérard July 29th, 2010

Marie-Claude Guérard, CGA Date
Chief Financial Officer
Longueuil, Québec, Canada

Statement of Financial Position (Unaudited)

CANADIAN SPACE AGENCY

As at March 31 2010 2009
 (in thousands of dollars) Restated (note 14)

Assets

Financial assets		
Due from the Consolidated Revenue Fund	73,289	68,767
Accounts receivable and advances (note 4)	1,545	3,397
Total financial assets	74,834	72,164
Non-financial assets		
Prepaid expenses (note 5)	402,170	438,460
Tangible capital assets (note 6)	964,857	989,378
Total non-financial assets	1,367,027	1,427,838
TOTAL	1,441,861	1,500,002

Liabilities and Equity of Canada

Liabilities		
Accounts payable and accrued liabilities (note 7)	82,336	76,408
Deferred revenues (note 8)	35	441
Vacation pay and compensatory leave	4,033	3,686
Employee future benefits (note 10)	10,706	10,669
Other liabilities (note 9)	17,193	15,219
Total liabilities	114,303	106,423
Equity of Canada	1,327,558	1,393,579
TOTAL	1,441,861	1,500,002

Contractual obligations (note 11)

The accompanying notes form an integral part of these financial statements.

Statement of Operations (Unaudited)

CANADIAN SPACE AGENCY

For the Year Ended March 31 2010 2009

(in thousands of dollars)

Expenses

Space Science and Exploration (SE)	219,778	221,919
Space Based Earth Observation (EO)	76,138	75,116
Generic Technological Activities (GTA) in support of EO, SE and SC	43,704	47,141
Satellite Communications (SC)	19,488	25,461
Space Awareness and Learning (AL)	5,878	7,338
Internal Services	46,364	-
Total Expenses	411,350	376,975

Revenues

Space Science and Exploration (SE)	11	130
Space Based Earth Observation (EO)	1,141	4,046
Generic Technological Activities (GTA) in support of EO, SE and SC	1,735	2,645
Satellite Communications (SC)	-	30
Space Awareness and Learning (AL)	6	10
Internal Services	387	-
Total Revenues	3,280	6,861

Net cost of operations	408,070	370,114
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Segmented information (note 13)

The accompanying notes form an integral part of these financial statements.

Statement of Equity of Canada (Unaudited)

CANADIAN SPACE AGENCY

For the Year Ended March 31	2010	2009
(in thousands of dollars)		Restated (note 14)
Equity of Canada, beginning of year	1,393,579	1,460,395
Net cost of operations	(408,070)	(370,114)
Net cash provided by Government	331,654	301,096
Change in due from the Consolidated Revenue Fund	4,522	(2,881)
Services provided without charge by other government departments (note 12(a))	5,873	5,083
Equity of Canada, end of year	1,327,558	1,393,579

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows (Unaudited)

CANADIAN SPACE AGENCY

For the Year Ended March 31
(in thousands of dollars)

2010

2009

Operating activities

Net cost of operations	408,070	370,114
Non-cash items:		
Amortization of tangible capital assets (note 6)	(104,970)	(111,774)
Loss on write-offs of tangible capital assets	(78)	(24)
Net gain on disposal of capital assets	-	6
Services provided without charge by other government departments (note 12(a))	(5,873)	(5,083)
Variations in Statement of Financial Position:		
Decrease in accounts receivable and advances	(1,852)	(1,705)
Decrease in prepaid expenses	(36,290)	(11,889)
Decrease (increase) in accounts payable and accrued liabilities	(5,928)	3,057
Decrease in deferred revenue	406	17
Increase in vacation pay and compensatory leave	(347)	(301)
Increase in employee future benefits	(37)	(831)
Decrease (increase) in other liabilities	(1,974)	423
Cash used by operating activities	251,127	242,010

Capital investment activities

Acquisition of tangible capital assets (note 6)	80,527	59,104
Proceeds from disposal of capital assets	-	(18)
Cash used for capital investment activities	80,527	59,086

Net cash provided by Government of Canada	331,654	301,096
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The accompanying notes are an integral part of these financial statements

Notes to the Financial Statements (Unaudited)

CANADIAN SPACE AGENCY

1. Authority and objectives

The Canadian Space Agency “Agency” was decreed a “Department” on March 1st, 1989 under the *Financial Administration Act*, Section 2, paragraph (b).

For its part, the *Canadian Space Agency Act*, on legal notice of the *Prime Minister*, and under *Section 29 of the Act to establish the Canadian Space Agency* and to provide for other matters in relation to space, was sanctioned on May 10, 1990 under Chapter 13 of the Laws of Canada (L.C. 1990). His excellence, the Governor-in-Council, had fixed the effective date of this Act at December 14, 1990. The objectives of the Canadian Space Program (CSP) are to ensure the development and application of space science and technology to meet Canadian needs and to ensure the development of an international competitive space industry in Canada.

According to the approved Program Activity Architecture (PAA), the Statement of operations was detailed by the following Program Activities (Business Lines):

Space Based Earth Observation (EO)

The program activity's objective is to develop and operationalize the use of Space Based Earth Observation for the benefit of Canadians, especially in the fields of environment, resource and land use management, as well as security and foreign policy. In doing so, the Agency maintains and expands Canada's leadership in Earth Observation technologies to obtain the timely, relevant and essential information we need to make judicious decisions about our collective future.

Space Science and Exploration (SE)

The program activity's objective is to better understand the solar system and the Universe; expand our knowledge on the constituent elements and origins of life; and strengthen a human presence in space. In doing so, the Agency sustains and increases Canada's contribution to humankind's scientific knowledge, to the exploration of our solar system and the Universe, and to the development of related technologies.

Satellite Communications (SC)

The program activity's objective is to provide all Canadians with the means to participate and fully benefit from the global information age. In doing so, the Agency upholds Canada's status as a world leader in Satellite Communications and extends the most advanced products and services to all Canadians.

Space Awareness and Learning (AL)

The program activity's objective is to further public understanding and engagement with regards to space related issues, ultimately improving the scientific literacy of Canadians by carrying out a national awareness and learning initiative in support of the Agency programs.

Generic Technological Activities (GTA) in support of EO, SE and SC

The program activity's objective is to provide leadership, coordination or support to Earth Observation, Space Science and Exploration, and Satellite Communications through activities that are generic in their nature since they contribute to all three program activities.

Internal Services

The program activity's objective is to implement the government's commitment to modern public service management in accordance with the Management Accountability Framework's (MAF) expectations.

Notes to the Financial Statements (Unaudited)

CANADIAN SPACE AGENCY

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with the Treasury Board accounting policies stated below, which are based with Canadian generally accepted accounting principles for the public sector. The presentation and results using the stated accounting policies do not result in any significant differences from Canadian generally accepted accounting principles.

Significant accounting policies are as follows:

(a) Parliamentary authorities

The Agency is financed by the Government of Canada through Parliamentary authorities. Financial reporting of authorities provided to the Agency do not parallel financial reporting according to generally accepted accounting principles since authorities are primarily based on cash flow requirements. Consequently, items recognized in the Statement of Financial Position and the Statement of Operations are not necessarily the same as those provided through authorities from Parliament. Note 3 provides a reconciliation between the two bases of reporting.

(b) Net cash provided by Government

The Agency operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by the Agency is deposited to the CRF and all cash disbursements made by the Agency are paid from the CRF. The net cash provided by Government is the difference between all cash receipts and all cash disbursements including transactions between departments of the government.

(c) Due from the Consolidated Revenue Fund (CRF)

Amounts due from the CRF are the result of timing differences at year-end between when a transaction affects authorities and when it is processed through the CRF. Amounts due from the CRF represent the net amount of cash that the Department is entitled to draw from the CRF without further appropriations to discharge its liabilities.

(d) Revenues

- ✓ Revenues are accounted for in the period in which the underlying transaction or event occurred that gave rise to the revenues.
- ✓ Revenues that have been received but not yet earned are recorded as deferred revenues (see note 8).

(e) Expense

Expenses are recorded on the accrual basis:

- ✓ Grants are recognized in the year in which the conditions for payment are met;
- ✓ Contributions are recognized in the year in which the recipient has met the eligibility criteria or fulfilled the terms of a contractual transfer agreement, provided that the transfer is authorized and a reasonable estimate can be made;
- ✓ Vacation pay and compensatory leave are accrued as the benefits are earned by the employees under their respective terms of employment; and,
- ✓ Services provided without charge by other government departments for accommodation, employer contribution to the health and dental insurance plans and legal services are recorded as operating expenses at their estimated cost.

Notes to the Financial Statements (Unaudited)

CANADIAN SPACE AGENCY

2. Summary of significant accounting policies (continued)

(f) Employee future benefits

- i Pension benefits: Eligible employees participate in the Public Service Pension Plan, a multi employer plan administered by the Government of Canada. The Agency's contributions to the Plan are charged to expenses in the year incurred and represent the Agency's total obligation to the Plan. Current legislation does not require the Agency to make contributions for any actuarial deficiencies of the Plan.
- ii Severance benefits: Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

(g) Accounts and loans receivables

Accounts and loans receivables are stated at the lower of cost and net recoverable value. A provision is recorded for receivables where recovery is considered uncertain.

(h) Foreign exchange

Transactions involving foreign currencies are translated into Canadian dollar equivalents using rates of exchange in effect at the time of those transactions. Monetary assets and liabilities denominated in a foreign currency are translated into Canadian dollars using the rate of exchange in effect at year-end. Gains and losses resulting from foreign currency transactions are included in "others" on the statement of operations.

(i) Tangible capital assets

All tangible capital assets and leasehold improvements having an initial cost of \$10,000 or more are recorded at their acquisition cost. The department does not capitalize intangibles, works of art and historical treasures that have cultural, esthetic or historical value, assets located on Indian Reserves and museum collections.

Asset class	Amortization period
Buildings, works and infrastructure	30-40 years
Material and equipment	10-20 years
Computer material	5-7 years
Computer software	3 years
Other equipment including furniture	3-15 years
Motor vehicles	5 years
Other vehicles	10 years

Assets under construction are recorded in the applicable capital asset class in the year that they become available for use and are not amortized until they become available for use.

(j) Measurement uncertainty

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. The most significant items where estimates are used are the liability for employee severance benefits and the useful life of tangible capital assets. Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

Notes to the Financial Statements (Unaudited)

CANADIAN SPACE AGENCY

3. Parliamentary authorities

The Agency receives most of its funding through annual parliamentary authorities. Items recognized in the Statement of Financial Position and the Statement of Operations in one year may be funded through Parliamentary authorities in prior, current or future years. Accordingly, the Agency has different net results of operations for the year on a government-funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

(a) Reconciliation of net cost of operations to current year authorities used

(in thousands of dollars)	2010	2009
Net cost of operations	408,070	370,114
<i>Adjustments for items affecting net cost of operations but not affecting authorities</i>		
<i>Add (Less):</i>		
Amortization of tangible capital assets (note 6)	(104,970)	(111,774)
Revenue not available for spending	3,250	6,837
Services provided without charge by other government departments (note 12(a))	(5,873)	(5,083)
Refund of previous years' expenditures	413	653
Increase in employee future benefits	(37)	(831)
Increase in vacation pay and compensatory leave	(347)	(301)
Loss on write-offs of tangible capital assets	(78)	(24)
Net gain on disposal of tangible capital assets	-	6
Other	(92)	(833)
	300,336	258,764
<i>Adjustments for items not affecting net cost of operations but affecting authorities</i>		
<i>Add (Less):</i>		
Acquisition of tangible capital assets (note 6)	80,527	59,104
Prepaid expenses	(36,290)	(11,889)
	44,237	47,215
Current year authorities used	344,573	305,979

(b) Authorities provided and used

(in thousands of dollars)	2010	2009
Authorities provided		
Vote 25 - Operating expenditures	236,634	207,124
Vote 30 - Capital expenditures	89,582	118,413
Vote 35 - Grants and contributions	49,063	47,031
Statutory amounts	11,108	9,450
Less:		
Authorities available for future years	(12)	(19)
Lapsed : Operating	(18,661)	(10,507)
Lapsed : Capital	(12,570)	(61,500)
Lapsed : Grants and contributions	(10,571)	(4,008)
Statutory amounts	-	(5)
Current year authorities used	344,573	305,979

Notes to the Financial Statements (Unaudited)

CANADIAN SPACE AGENCY

4. Accounts receivable and advances

The following table presents details of accounts receivable and advances balances:

(in thousands of dollars)	2010	2009
Receivables from other federal departments or agencies (note 12(b))	858	1,711
Receivables from external entities	700	1,745
Employee advances	14	13
Less: Allowance for doubtful accounts on receivables from external entities	(27)	(72)
	1,545	3,397

5. Prepaid expenses

The following table presents details of prepaid expenses:

(in thousands of dollars)	2010	2009
RADARSAT-2 prepaid services	398,083	432,181
Prepaid transfer payments	3,791	5,942
Other prepaid expenses	296	337
	402,170	438,460

Notes to the Financial Statements (Unaudited)

CANADIAN SPACE AGENCY

6. Tangible capital assets

Cost	Opening Balance	Acquisitions	Transfers, Disposals and Write-Offs	Closing Balance
(in thousands of dollars)				
Land	85	-	-	85
Buildings, works and infrastructure	116,623	20	2,641	119,284
Material and equipment	38,895	1,033	1,657	41,585
Computer material	15,703	2,372	989	19,064
Computer software	4,796	23	1,974	6,793
Other equipment	1,873,597	773	11,456	1,885,826
Motor vehicles	24	29	-	53
Other vehicles	250	194	-	444
Assets under construction	146,092	76,083	(18,817)	203,358
	2,196,065	80,527	(100)	2,276,492

Accumulated amortization	Opening Balance	Amortization	Transfers, Disposals and Write-Offs	Closing Balance
(in thousands of dollars)				
Buildings, works and infrastructure	60,584	3,952	-	64,536
Material and equipment	24,713	2,021	-	26,734
Computer material	10,015	1,590	379	11,984
Computer software	4,606	117	-	4,723
Other equipment	1,106,593	97,276	(401)	1,203,468
Motor vehicles	24	-	-	24
Other vehicles	152	14	-	166
	1,206,687	104,970	(22)	1,311,635

Net book value	Opening Balance	Closing Balance
(in thousands of dollars)		
Land	85	85
Buildings, works and infrastructure	56,039	54,748
Material and equipment	14,182	14,851
Computer material	5,688	7,080
Computer software	190	2,070
Other equipment	767,004	682,358
Motor vehicles	-	29
Other vehicles	98	278
Assets under construction	146,092	203,358
Net Book Value	989,378	964,857

Disposals of assets under construction represent assets that were put into use in the year and have been transferred to the other capital asset classes as applicable.

Notes to the Financial Statements (Unaudited)

CANADIAN SPACE AGENCY

7. Accounts payable and accrued liabilities

The following table presents details of accounts payable and accrued liabilities:

(in thousands of dollars)	2010	2009
Accrued liabilities	49,669	48,937
Accounts payable	24,499	21,336
Contractor's holdback	6,052	3,514
Accrued salaries and wages	71	1,802
Accounts payable – Other Departments (note 12(b))	1,996	815
Other accounts payable	49	4
	82,336	76,408

8. Deferred revenue

Deferred revenue represents the balance at year-end of unearned revenues stemming from amounts received from external parties which are restricted to fund the expenditures related to specific projects and amounts received for fees prior to services being performed. Revenue is recognized in the period that these expenditures are incurred or service is performed. Details of the transactions related to this account are as follows:

(in thousands of dollars)	2010	2009
RADARSAT-2: Special purpose account to record funds received for the payment of expenses related to the reception, archiving, cataloguing and satellite acquisition services.		
Opening Balance, April 1	432	449
Plus: Amounts received	860	1,757
Less: Revenue recognized during the year	1,266	1,774
Closing Balance, March 31	26	432
RADARSAT-2: Amount received to cover expenses for the accommodation and installation of MacDonald Dettwiler and Associates Ltd. (MDA) employees.		
Opening Balance, April 1	9	9
Plus: Amounts received	-	-
Less: Revenue recognized during the year	-	-
Closing Balance, March 31	9	9
Closing Balance Total	35	441

Notes to the Financial Statements (Unaudited)

CANADIAN SPACE AGENCY

9. Other liabilities

The following table presents details of other liabilities:

(in thousands of dollars)	2010	2009
Non-monetary exchange CSA/NASA	12,569	12,435
Contractor's holdbacks	4,524	2,680
Participation of provinces – RADARSAT-1	100	104
	17,193	15,219

a) Non-Monetary Exchange

Under the *International Space Station Agreement*, which was executed in 1998, and ratified by Canada in year 2000, following the passing of the *Civil International Space Station Agreement Implementation Act*, in 1999, the Agency signed a barter agreement with NASA in August 2001, which the fair value was estimated at \$20.8 million U.S. Currently, all the costs are not available and the fair value of the yielded services must be revaluated when the identification of total costs will be possible. This agreement provides that the Agency exchanges a part of its utilization rights on the International Space Station, access to the Canadian Microgravity Isolation Mount, and agrees to assume repair costs for its Special Purpose Dexterous Manipulator. In return, NASA will provide to the Agency, astronaut training, satellite and launch services. The transactions under this Barter Agreement may take place over the lifetime of the International Space Station. During the fiscal years 2002 to 2010, the Agency received a part of astronaut training valued at \$12.6 million CDN. As NASA did not exercise the option to access its proportion of Canada's utilization rights on the International Space Station, a liability of \$12.6 million CDN has been created by the Agency. Relative to this barter agreement or other agreements of the same kind that the Agency may enter into with its International Partners under the Agreement on the International Space Station, the Treasury Board grants to the Agency an exemption under the Policy on Accounting for Non-Monetary Transactions and does not have to charge the transaction(s) to its appropriation.

b) Participation of provinces – RADARSAT-1

This specified purpose account was established to record moneys received for both cost-sharing and advance payments for RADARSAT scenes. RADARSAT-1 is an Earth Observation satellite to monitor environmental change and planets natural resources. It provides information to both commercial and scientific users in the fields of agriculture, cartography, hydrology, forestry, oceanography, ice studies and coastal monitoring.

Notes to the Financial Statements (Unaudited)

CANADIAN SPACE AGENCY

10. Employee future benefits

(a) Pension benefits

The Agency's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Quebec Pension Plans benefits and they are indexed to inflation.

Both the employees and the Agency contribute to the cost of the Plan. The 2009-2010 expense amounts to \$8.0 million (6.8 million in 2008-2009), which represents approximately 1.9 times (2 times in 2008-2009) the contributions by employees.

The Agency's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

(b) Severance benefits

The Agency provides severance benefits to its employees based on eligibility, years of service and final salary. These severance benefits are not pre-funded. Benefits will be paid from future authorities. Information about the severance benefits, measured as at March 31, is as follows:

(in thousands of dollars)	2010	2009
Accrued benefit obligation, beginning of year	10,669	9,838
Plus: Expense for the year	533	1,466
Less: Benefits paid during the year	(496)	(635)
Accrued benefit obligation, end of year	10,706	10,669

11. Contractual obligations

The nature of the Agency's activities can result in some large multi-year contracts and obligations whereby the Agency will be obligated to make future payments in order to carry out its transfer payment programs and when the services/goods are received. Significant contractual obligations that can be reasonably estimated are summarized as follows:

(in thousands of dollars)	2011	2012	2013	2014	2015 and Thereafter	Total
Acquisitions of goods and services	64,764	41,726	7,721	0	0	114,211
Transfer payments	34,978	32,225	26,118	16,850	36,540	146,711
Total	99,742	73,951	33,839	16,850	36,540	260,922

Notes to the Financial Statements (Unaudited)

CANADIAN SPACE AGENCY

12. Related party transactions

The Agency is related as a result of common ownership to all Government departments, agencies and Crown Corporations. The Agency enters into transactions with these entities in the normal course of business and on normal trade terms. During the year, the Agency received common services which were obtained without charge from other Government departments as disclosed below.

(a) Common services received without charge by other government departments

During the year, the Agency received without charge from certain common services organizations, related to accommodation, legal services and the employer's contribution to the health and dental insurance plans. These services provided without charge have been recorded in the Agency's Statement of Operations as follows:

(in thousands of dollars)	2010	2009
Employer's contribution to the health and dental insurance plans	5,407	4,659
Legal services	259	244
Accommodation	207	180
	5,873	5,083

The Government has centralized some of its administrative activities for efficiency and cost-effectiveness purposes and economic delivery of programs to the public. As a result, the Government uses central agencies and common service organizations so that one department performs services for all departments and agencies without charge. The costs of these services, such as payroll and cheque issuance services provided by Public Works and Government Services Canada, are not included in the Agency's Statement of Operations.

(b) Other transactions with related parties

(in thousands of dollars)	2010	2009
Accounts receivable from other government departments and agencies (note 4)	858	1,711
Accounts payable to other government departments and agencies (note 7)	1,996	815
Expenses - other government departments and agencies	38,599	29,924
Revenues - other government departments and agencies	75	58

13. Segmented Information

Presentation by segment is based on the Agency's Program Activity Architecture (PAA). The presentation by segment is based on the same accounting policies as described in the Summary of significant accounting policies in note 2. The following table presents the expenses incurred and revenues generated for the main program activities, by major object of expenses and by major type of revenues. The segment results for the period are as follows:

(in thousands of dollars)	SE	EO	GTA	SC	AL	IS	2010	2009
Operating Expenses								
Amortization of tangible capital assets (note 6)	94,848	4,590	1,569	293	7	3,663	104,970	111,774
Professional and special services	77,282	17,985	17,587	3,782	222	8,591	125,449	108,145
Salaries and employee benefits	26,943	8,817	12,967	2,680	2,311	24,543	78,261	72,335
Travel and communications	3,769	789	1,025	177	351	1,529	7,640	8,874
Utilities, materials and supplies	363	1,509	227	1,918	34	1,968	6,019	6,290
Acquisition of machinery and material	1,722	35,010	1,490	124	81	1,495	39,922	18,547
Information	90	1	8	7	2,007	165	2,278	2,868
Purchased repair and maintenance	192	149	213	2	-	1,720	2,276	2,407
Rentals	347	84	369	2	15	148	965	586
Loss on write-offs of tangible capital assets	-	-	-	-	-	78	78	35
Other	348	98	96	-	1	2,464	3,007	3,184
Total operating expenses	205,904	69,032	35,551	8,985	5,029	46,364	370,865	335,045
Transfer payments								
International organizations	9,985	6,209	7,789	8,603	-	-	32,586	33,781
Industry	3,889	897	364	1,900	568	-	7,618	7,587
Individuals	-	-	-	-	174	-	174	292
Non-Profit Organizations	-	-	-	-	107	-	107	270
Total transfer payments	13,874	7,106	8,153	10,503	849	-	40,485	41,930
Total expenses	219,778	76,138	43,704	19,488	5,878	46,364	411,350	376,975
Revenues								
Sale of rights and privileges	-	1,113	57	-	-	-	1,170	3,872
Sale of goods and services	-	-	1,660	-	-	-	1,660	2,572
Location and use of public property	-	25	-	-	-	362	387	364
Gain on disposal of tangible assets	-	-	-	-	-	12	12	18
Other non-tax revenue	11	3	18	-	6	13	51	35
Total Revenues	11	1,141	1,735	-	6	387	3,280	6,861
Net cost of operations	219,767	74,997	41,969	19,488	5,872	45,977	408,070	370,114

SE - Space Science and Exploration
EO - Space Based Earth Observation

GTA - Generic Technological Activities in support of EO, SE and SC
SC - Satellite Communications

AL - Space Awareness and Learning
IS - Internal Services

Notes to the Financial Statements (Unaudited)

CANADIAN SPACE AGENCY

14. Adoption of new accounting policies

During the year, the Agency adopted the revised Treasury Board accounting policy TBAS 1.2: Departmental and Agency Financial Statements which is effective for the Agency for the 2009-2010 fiscal year. The major change in the accounting policies of the Agency required by the adoption of the revised TBAS 1.2 is the recording of amounts due from the Consolidated Revenue Fund as an asset on the Statement of Financial Position.

The adoption of the new Treasury Board accounting policies have been accounted for retroactively with the following impact on the comparative results for 2008-2009:

(in thousands of dollars)	2009 As previously stated	Effect of changes	2009 Restated
Statement of Financial Position			
Assets	1,431,235	68,767	1,500,002
Equity of Canada	1,324,812	68,767	1,393,579

15. Comparative information

Comparative figures have been reclassified to conform to the current year's presentation.