

Statement of Management Responsibility

CANADIAN SPACE AGENCY

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2011 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.

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 and objective guidance as well as guidelines 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 11, 2011

Steve MacLean Date
President
Longueuil, Québec, Canada

The original version was signed
by Marie-Claude Guérard August 10, 2011

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

Statement of Financial Position (Unaudited)

CANADIAN SPACE AGENCY

As at March 31 2011 2010
(in thousands of dollars)

Assets

Financial assets		
Due from the Consolidated Revenue Fund	\$ 92 897	\$ 73 289
Accounts receivable and advances (Note 4)	2 760	1 545
Total financial assets	95 657	74 834
Non-financial assets		
Prepaid expenses (Note 5)	364 912	402 170
Tangible capital assets (Note 6)	940 726	964 857
Total non-financial assets	1 305 638	1 367 027
TOTAL	\$ 1 401 295	\$ 1 441 861

Liabilities and Equity of Canada

Liabilities		
Accounts payable and accrued liabilities (Note 7)	\$ 97 785	\$ 82 336
Deferred revenue (Note 8)	9	35
Vacation pay and compensatory leave	4 429	4 033
Severance benefits (Note 9(b))	13 072	10 706
Other liabilities (Note 10)	21 486	17 193
Total liabilities	136 781	114 303
Equity of Canada	1 264 514	1 327 558
TOTAL	\$ 1 401 295	\$ 1 441 861

Contractual obligations (Note 11)

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

The original version was signed
by Steve MacLean August 11, 2011
Steve MacLean Date
President
Longueuil, Québec, Canada

The original version was signed
by Marie-Claude Guérard August 10, 2011
Marie-Claude Guérard, CGA Date
Chief Financial Officer
Longueuil, Québec, Canada

Statement of Operations (Unaudited)

CANADIAN SPACE AGENCY

For the Year Ended March 31

(in thousands of dollars)

2011

2010

Expenses

Space Science and Exploration (SE)	\$ 239 682	\$ 219 778
Space Based Earth Observation (EO)	79 824	76 138
Generic Technological Activities (GTA) in support of EO, SE and SC	45 753	43 704
Satellite Communications (SC)	16 588	19 488
Space Awareness and Learning (AL)	7 407	5 878
Internal Services (IS)	53 072	46 364
Total Expenses	442 326	411 350

Revenues

Space Science and Exploration (SE)	\$ -	\$ 11
Space Based Earth Observation (EO)	1 247	1 141
Generic Technological Activities (GTA) in support of EO, SE and SC	3 668	1 735
Satellite Communications (SC)	-	-
Space Awareness and Learning (AL)	3	6
Internal Services (IS)	327	387
Total Revenues	5 245	3 280

Net cost of operations	\$ 437 081	\$ 408 070
-------------------------------	-------------------	-------------------

Segmented information (Note 13)

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

Statement of Equity of Canada (Unaudited)

CANADIAN SPACE AGENCY

For the Year Ended March 31 (in thousands of dollars)	2011	2010
Equity of Canada, beginning of year	\$ 1 327 558	\$ 1 393 579
Net cost of operations	(437 081)	(408 070)
Net cash provided by Government	348 601	331 654
Change in due from the Consolidated Revenue Fund	19 608	4 522
Services provided without charge by other government departments (Note 12(a))	5 828	5 873
Equity of Canada, end of year	\$ 1 264 514	\$ 1 327 558

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 2011 2010
 (in thousands of dollars)

Operating Activities

Net cost of operations	\$ 437 081	\$ 408 070
Non-cash items:		
Amortization of tangible capital assets (Note 6)	(104 565)	(104 970)
Loss on write-offs of tangible capital assets	(156)	(78)
Services provided without charge by other government departments (Note 12(a))	(5 828)	(5 873)
Variations in Statement of Financial Position:		
Increase (decrease) in accounts receivable and advances	1 215	(1 852)
Decrease in prepaid expenses	(37 258)	(36 290)
Increase in accounts payable and accrued liabilities	(15 449)	(5 928)
Decrease in deferred revenue	26	406
Increase in vacation pay and compensatory leave	(396)	(347)
Increase in severance benefits	(2 366)	(37)
Increase in other liabilities	(4 293)	(1 974)
Cash used by operating activities	268 011	251 127

Capital Investment Activities

Acquisition of tangible capital assets (Note 6)	80 590	80 527
Cash used for capital investment activities	80 590	80 527

Net cash provided by Government of Canada	\$ 348 601	\$ 331 654
--	-------------------	-------------------

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)

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 EO technologies to obtain the timely, relevant and essential information we need to make judicious decisions about our collective future.

Space Science and Exploration (SE)

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)

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)

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's programs.

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

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

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) Expenses

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.
- ✓ 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 multiemployer 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 currency transactions

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 Agency 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 the 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)	2011	2010
Net cost of operations	\$ 437 081	\$ 408 070
<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)	(104 565)	(104 970)
Revenue not available for spending	5 233	3 250
Services provided without charge by other government departments (Note 12(a))	(5 828)	(5 873)
Refund of previous years' expenditures	401	413
Increase in severance benefits	(2 366)	(37)
Increase in vacation pay and compensatory leave	(396)	(347)
Loss on write-offs of tangible capital assets	(156)	(78)
Other	100	(92)
	329 504	300 336
<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)	80 590	80 527
Prepaid expenses	(37 258)	(36 290)
	43 332	44 237
Current year authorities used	\$ 372 836	\$ 344 573

(b) Authorities provided and used:

(in thousands of dollars)	2011	2010
Authorities provided		
Vote 25 - Operating expenditures	\$ 263 368	\$ 236 634
Vote 30 - Capital expenditures	83 894	89 582
Vote 35 - Grants and contributions	47 634	49 063
Statutory amounts	10 943	11 108
	405 839	386 387
Less:		
Authorities available for future years	9	12
Lapsed : Operating	19 580	18 661
Lapsed : Capital	7 186	12 570
Lapsed : Grants and contributions	6 228	10 571
	33 003	41 814
Current year authorities used	\$ 372 836	\$ 344 573

Notes to the Financial Statements (Unaudited)

CANADIAN SPACE AGENCY

4. Accounts Receivable and Advances

The following table presents details of accounts receivable and advances:

(in thousands of dollars)	2011	2010
Receivables from other federal departments or agencies (Note 12(b))	\$ 1 595	\$ 858
Receivables from external entities	1 169	700
Employee advances	23	14
Less: Allowance for doubtful accounts on receivables from external entities	(27)	(27)
	\$ 2 760	\$ 1 545

5. Prepaid Expenses

The following table presents details of prepaid expenses:

(in thousands of dollars)	2011	2010
RADARSAT-2 prepaid services	\$ 361 054	\$ 398 083
Prepaid transfer payments	3 304	3 791
Other prepaid expenses	554	296
	\$ 364 912	\$ 402 170

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	119 284	-	1 661	120 945
Material and equipment	41 585	1 172	(1 236)	41 521
Computer material	19 064	849	(878)	19 035
Computer software	6 793	71	167	7 031
Other equipment	1 885 826	224	(21 794)	1 864 256
Motor vehicles	53	-	-	53
Other vehicles	444	-	-	444
Assets under construction	203 358	78 274	(2 675)	278 957
	\$ 2 276 492	\$ 80 590	\$ (24 755)	\$ 2 332 327

Accumulated amortization	Opening Balance	Amortization	Transfers, Disposals and Write-Offs	Closing Balance
(in thousands of dollars)				
Buildings, works and infrastructure	\$ 64 536	\$ 4 034	\$ -	\$ 68 570
Material and equipment	26 734	2 049	(1 102)	27 681
Computer material	11 984	1 880	(877)	12 987
Computer software	4 723	789	(47)	5 465
Other equipment	1 203 468	95 773	(22 573)	1 276 668
Motor vehicles	24	6	-	30
Other vehicles	166	34	-	200
	\$ 1 311 635	\$ 104 565	\$ (24 599)	\$ 1 391 601

Net book value	Opening Balance	Closing Balance
(in thousands of dollars)		
Land	\$ 85	\$ 85
Buildings, works and infrastructure	54 748	52 375
Material and equipment	14 851	13 840
Computer material	7 080	6 048
Computer software	2 070	1 566
Other equipment	682 358	587 588
Motor vehicles	29	23
Other vehicles	278	244
Assets under construction	203 358	278 957
Net Book Value	\$ 964 857	\$ 940 726

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)	2011	2010
Accrued liabilities	\$ 56 844	\$ 49 669
Accounts payable	35 474	24 499
Contractor's holdback	3 664	6 052
Accrued salaries and wages	341	71
Accounts payable – Other Departments (Note 12(b))	1 454	1 996
Other accounts payable	8	49
	\$ 97 785	\$ 82 336

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 the service is performed. Details of the transactions related to this account are as follows:

(in thousands of dollars)	2011	2010
RADARSAT-2		
1) Amount received to cover expenses for the payment of expenses related to the reception, archiving, cataloguing and satellite acquisition services.		
2) Amount received to cover expenses for the accommodation and installation of MacDonald Dettwiler and Associates Ltd. (MDA) employees.		
Opening Balance	\$ 35	\$ 441
Plus: Amounts received	1 443	860
Less: Revenue recognized during the year	1 469	1 266
Closing Balance	\$ 9	\$ 35

Notes to the Financial Statements (Unaudited)

CANADIAN SPACE AGENCY

9. 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 2010-2011 expense amounts to \$7.7 million (\$8.0 million in 2009-2010), which represents approximately 1,9 times (1,9 times in 2009-2010) the contributions by employees.

The Agency's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficits 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)	2011	2010
Accrued benefit obligation, beginning of year	\$ 10 706	\$ 10 669
Plus: Expense for the year	2 919	533
Less: Benefits paid during the year	(553)	(496)
Accrued benefit obligation, end of year	\$ 13 072	\$ 10 706

Notes to the Financial Statements (Unaudited)

CANADIAN SPACE AGENCY

10. Other Liabilities

The following table presents details of other liabilities:

(in thousands of dollars)	2011	2010
Non-monetary exchange CSA/NASA	\$ 12 571	\$ 12 569
Contractor's holdbacks	8 818	4 524
Participation of provinces – RADARSAT-1	97	100
	\$ 21 486	\$ 17 193

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 2011, 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 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.

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 for the acquisitions of goods and services. Significant contractual obligations that can be reasonably estimated are summarized as follows:

(in thousands of dollars)	2012	2013	2014	2015	2016 & thereafter	Total
Acquisitions of goods and services	\$ 132 749	\$ 28 215	\$ -	\$ -	\$ -	\$ 160 964
Transfer payments	32 084	23 873	20 797	17 824	17 634	112 212
Total	\$ 164 833	\$ 52 088	\$ 20 797	\$ 17 824	\$ 17 634	\$ 273 176

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 provided without charge by other government departments

During the year, the Agency received services 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)	2011	2010
Employer's contribution to the health and dental insurance plans	\$ 5 372	\$ 5 407
Legal Services	246	259
Accommodation	210	207
	\$ 5 828	\$ 5 873

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)	2011	2010
Expenses - other government departments and agencies	\$ 38 583	\$ 38 599
Revenues - other government departments and agencies	\$ 79	\$ 75

13. Segmented Information

Presentation of segmented information is based on the breakdown of program activities as per the Agency's Program Activity Architecture (PAA). The presentation of segmented information 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 results for the period are as follows:

(in thousands of dollars)	SE	EO	GTA	SC	AL	IS	2011	2010
Operating expenses								
Amortization of tangible capital assets (Note 6)	\$ 93 485	\$ 4 571	\$ 1 515	\$ 421	\$ 7	\$ 4 566	\$ 104 565	\$ 104 970
Professional and special services	102 472	16 945	13 773	5 117	395	9 024	147 726	125 813
Salaries and employee benefits	26 088	9 160	13 570	2 456	2 532	29 344	83 150	78 260
Travel and communications	3 025	1 259	1 166	116	444	1 724	7 734	7 676
Utilities, materials and supplies	383	1 462	452	1 807	35	2 037	6 176	6 020
Acquisition of machinery and material	927	37 438	1 117	35	39	1 666	41 222	39 558
Information	24	81	11	-	2 610	83	2 809	2 280
Purchased repair and maintenance	113	46	319	1	5	1 519	2 003	2 277
Rentals	256	252	465	3	196	490	1 662	965
Loss on write-offs of tangible capital assets	-	-	-	-	-	156	156	78
Other	393	118	297	2	2	2 421	3 233	2 968
Total operating expenses	227 166	71 332	32 685	9 958	6 265	53 030	400 436	370 865
Transfer payments								
International organizations	8 179	6 845	12 882	6 060	-	-	33 966	32 586
Other Levels of Government	4 337	1 647	186	-	789	-	6 959	5 511
Industry	-	-	-	570	36	-	606	2 107
Individuals	-	-	-	-	316	-	316	174
Non-Profit Organizations	-	-	-	-	1	42	43	107
Total transfer payments	12 516	8 492	13 068	6 630	1 142	42	41 890	40 485
Total expenses	239 682	79 824	45 753	16 588	7 407	53 072	442 326	411 350
Revenues								
Sale of rights and privileges	-	1 213	-	-	-	-	1 213	1 170
Sale of goods and services	-	-	3 650	-	-	-	3 650	1 660
Location and use of public property	-	21	-	-	-	303	324	387
Gain on disposal of tangible assets	-	-	-	-	-	10	10	12
Other non-tax revenue	-	13	18	-	3	14	48	51
Total Revenues	-	1 247	3 668	-	3	327	5 245	3 280
Net cost of operations	\$ 239 682	\$ 78 577	\$ 42 085	\$ 16 588	\$ 7 404	\$ 52 745	\$ 437 081	\$ 408 070

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. Comparative information

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