

**SADIS COST RECOVERY ADMINISTRATIVE GROUP**  
**FOURTEENTH MEETING**

(Paris, October 25 2013)

**DEPRECIATED ASSETS: SADIS COSTS**  
(presented by the United Kingdom)

**REFERENCES**

SADIS Agreement  
SCRAG Reports 1-13

**1. INTRODUCTION**

1.1 The format and detail of presentation of the accounts for presenting the value of major assets is in accordance with Conclusion 1/5 of the SCRAG/1 Report.

1.2 Information was required under the following headings:

1. Original Value
2. Depreciation Charge in current year.
3. Total Accumulated charge in current year.
4. Net Depreciated value at the end of the Year.

**2. DISCUSSION**

**2.1 TABLE 1** identifies these values.

These headings represent:

1. Original Hub Investment, Trial Systems and capitalized operation asset.
2. Two-way enhanced VSATs and Development
3. SADIS 2G Operational System
4. SADIS 2G Hardware Refresh
5. SADIS Gateway

- 2.2 The original value of each inventory item was fully paid-off on 31st May 2001. The remaining capital costs for the two-way VSATs became fully depreciated at the end of 2002. At the end of 2003 the two-way VSAT programme was disbanded and the associated hub equipment no longer appears as part of the SADIS inventory.
- 2.3 Hub equipment that was purchased for the SADIS 2G Broadcast resulted in new depreciation charges with effect from 2004. This equipment became fully depreciated at the end of 2008.
- 2.4 The SADIS Gateway became operational in July 2003. The total capital cost of £227,462 was depreciated between July 2003 and June 2008.
- 2.5 In 2009, a hardware refresh of the SADIS2G uplink equipment was approved by SADISOPSG/14. Procurement of the equipment commenced in September 2009. The total equipment cost of £59988 is to be depreciated over a period of 60 months commencing 1 October 2009 in line with the SADIS Provider's accounting policies.

**TABLE 1**

(1) Inventory of Assets: 2013	(2) Original Value	(3) Depreciated charges in 2013	(4) Total accumulated depreciation	(5) Net depreciated values at end of 2013
<b>Original HUB Investment, Trial Systems and Capitalized Operation Asset</b>	£713,769	£0	£713,769	£0
<b>Two-Way Hub enhancement, VSATS and development</b>	£375,000	£0	£375,000	£0
<b>SADIS 2G Operational System</b>	£87,428	£0	£87,428	£0
<b>SADIS 2G Hardware Refresh</b>	£59,988	£11,616	£51,276	£8,712
<b>Total UKMO</b>	£1,236,185	£11,616	£1,227,473	£8,712
<b>SADIS Gateway</b>	£227,462	£0	£227,462	£0

### **3. CONCLUSION**

3.1 The figures in TABLE 1 are provided to support the requirement of the SCRAG/14 Report.

### **4. ACTION**

4.1 SCRAG/14 is requested to note the information contained in this document and approve the depreciation charges applicable for 2013.