

**SADIS COST RECOVERY ADMINISTRATIVE GROUP**

**FOURTH MEETING**

(Bangkok, 4th and 5th November 2003)

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

**REFERENCES**

SADIS Agreement  
SCRAG/1/2/3 Report

**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. Hub Investment (original & new)
2. Communications between the UKMO and Whitehills
3. Trial SADIS programme & Systems (original & new)
4. ISCS Back-up System
5. Trials and Support For ICAO Training
6. Capitalized Operation Asset

2.2 The original value of each inventory item was fully paid-off on 31st May 2001. It should be noted that these values represent the value of the inventory items attributable to SADIS only. It should be noted that the UKMO, prior to Trading Fund Status in 1996, had not maintained an asset register.

2.3 The remaining capital costs for the two-way VSATs became fully depreciated at the end of 2002. As a result the depreciation charge for 2003 is nil. It should be noted that new hub equipment that will be required for the SADIS 2G Broadcast will result in new depreciation charges with effect from 2004.

**TABLE 1**

(1) Inventory of Assets: 2003	(2) Original Value	(3) Depreciated charges in 2003	(4) Total accumulated depreciation	(5) Net depreciated values at end of 2003
<b><u>UNITED KINGDOM</u></b>				
<b>HUB Investment</b>	£191,928	£0	£191,928	£0
<b>New Two-Way Hub enhancement</b>	£250,000	£0	£250,000	£0
<b>New Development &amp; project Management</b>	£75,000	£0	£75,000	£0
<b>Communication UKMO to Whitehill</b>	£30,896	£0	£30,896	£0
<b><u>TRIAL SADIS PROGRAMME SYSTEMS</u></b>				
<b>SADIS VSAT Seven One-Way VSAT and spares</b>	£44,988	£0	£44,988	£0
<b>Three Two-Way VSATS and spares</b>	£98,958	£0	£98,958	£0
<b>ISCS VSAT back- up system</b>	£8,453	£0	£8,453	£0

<b>New 2*Two-Way enhanced VSATS</b>	£50,000	£0	£50,000	£0
<b>Trials &amp; Support for ICAO Training</b>	£35,456	£0	£35,456	£0
<b>CAPITALIZED OPERATION ASSET</b> (see appendix B to ESCRAG/1 report)	£303,000	£0	£303,000	£0
<b>TOTAL (original) investment)</b>	<b>£713,679</b>	<b>£0</b>	<b>£713,679</b>	<b>£0</b>
<b>New Investment</b>	<b>£375,000</b>	<b>£0</b>	<b>£375,000</b>	<b>£0</b>

### 3. CONCLUSIONS

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

### 4. ACTION

4.1 SCRAG/4 is requested to note the information contained in this document.