

**SADIS COST RECOVERY ADMINISTRATIVE GROUP**  
**FIFTH MEETING**

(Paris, 8th and 9th November 2004)

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

**REFERENCES**

SADIS Agreement  
SCRAG/1/2/3/4 Reports

**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 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 New hub equipment that has been purchased for the SADIS 2G Broadcast has resulted in new depreciation charges with effect from 2004. The figure supplied is the latest available, but subject to slight change when final invoices are inspected.
- 2.4 The SADIS Gateway became operational in July 2003. The total capital cost of £227,462 is to be depreciated between July 2003 and June 2008.

**TABLE 1**

(1) Inventory of Assets: 2004	(2) Original Value	(3) Depreciated charges in 2004	(4) Total accumulated depreciation	(5) Net depreciated values at end of 2004
<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	£17,485	£17,485	£69,943
<b>Total UKMO</b>	£1,176,197	£17,485	£1,106,254	£69,943
<b>SADIS Gateway</b>	£227,462	£45,492	£77,987	£149,475

### **3. CONCLUSION**

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

### **4. ACTION**

4.1 SCRAG/5 is requested to note the information contained in this document.