

SADIS COST RECOVERY ADMINISTRATIVE GROUP
SEVENTH MEETING

(Bangkok, 1st and 2nd November 2006)

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

REFERENCES

SADIS Agreement

SCRAG/1/2/3/4/5/6 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.
- 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: 2005	(2) Original Value	(3) Depreciated charges in 2006	(4) Total accumulated depreciation	(5) Net depreciated values at end of 2006
Original HUB Investment, Trial Systems and Capitalized Operation Asset	£713,769	£0	£713,769	£0
Two-Way Hub enhancement, VSATS and development	£375,000	£0	£375,000	£0
SADIS 2G Operational System	£87,428	£17,485	£52,455	£34,973
Total UKMO	£1,176,197	£17,485	£1,141,224	£34,973
SADIS Gateway	£227,462	£45,492	£168,971	£58,491

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/7 is requested to note the information contained in this document.