



Canadian Space Agency  
Agence spatiale  
canadienne



# **Canadian Space Agency**

**2025-2026**

**Quarterly Financial Report**

**For the Quarter Ended**

**June 30, 2025**

**Management Statement  
for the Quarter Ended June 30, 2025**

**Canadian Space Agency**  
Quarterly Financial Report  
For the quarter ended June 30, 2025

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Catalogue Number: ST96-16E-PDF  
ISSN: 2564-4262

## 1. Introduction

This quarterly report has been prepared by management as required by section 65.1 of the *Financial Administration Act*, and in the form and manner prescribed by the Treasury Board. It has not been subject to an external audit or review, but has been reviewed by members of the Canadian Space Agency's (CSA) Audit Committee, who are satisfied with its presentation and content. This quarterly report should be read in conjunction with the [2025-2026 Main Estimates](#)<sup>1</sup>.

### 1.1 Mandate and Program Activities

The CSA mandate is *to promote the peaceful use and development of space, to advance the knowledge of space through science and to ensure that space science and technologies provide social and economic benefits for Canadians.*

More information is available on the CSA's [mandate](#) and on the departmental results framework in the latest [Departmental Plan](#)<sup>1</sup>.

<sup>1</sup> *The financial data presented as planned expenditures in the Main Estimates (ME) and the Departmental Plan may differ from the authorities available presented in this Quarterly Financial Report (QFR). The Departmental Plan data includes estimated adjustments to the ME for the entire year, whereas the QFR presents only the authorities granted to this date through the Estimates process (i.e. the ME).*

### 1.2 Basis of Presentation

This quarterly financial report (QFR) has been prepared using an expenditure basis of accounting. The Statement of Authorities annexed to this report includes the CSA's spending authorities granted by Parliament and those used by the CSA, consistent with the Main Estimates and Supplementary estimates (if applicable) for the current financial year. This QFR has been prepared using a special purpose financial reporting framework designed to meet financial information needs with respect to the use of spending authorities.

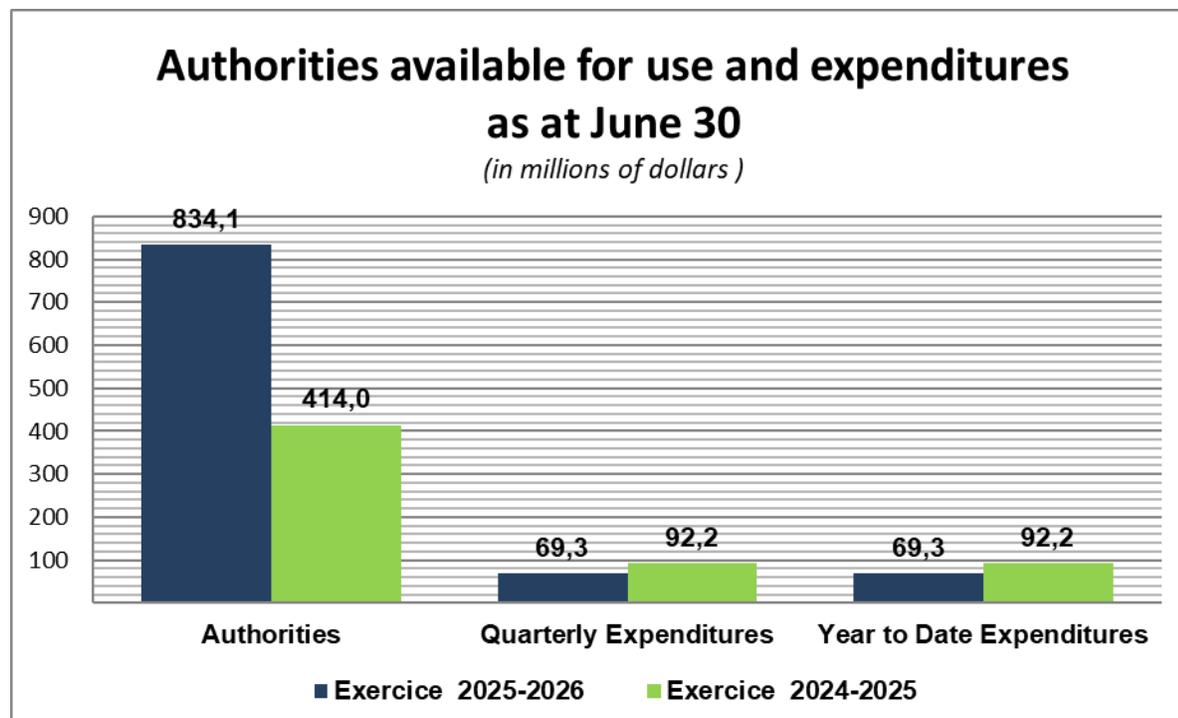
The authority of Parliament is required before money can be spent by the Government. Approvals are given in the form of annually approved limits through appropriation acts or through legislation in the form of statutory spending authority for specific purposes.

The CSA uses the full accrual method of accounting to prepare and present its annual financial statements, which are part of the departmental performance reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis, which is a partial accrual method of accounting. The partial accrual method of accounting includes disbursements as well as some accruals for salaries and salary allowances.

## 2. Highlights of the Quarterly Financial Results

This section highlights the significant elements that contributed to the changes to the authorities available for the fiscal year, as well as to the quarterly and year-to-date expenditures for the quarter ended June 30, 2025.

The following graph provides an overview of the variations in the available authorities and the expenditures. Additional details on these variations are provided in sections 2.1 and 2.2 as well as in the appended annexes.



Totals may not add up with the Annexes due to rounding.

### 2.1 Significant Changes in the Authorities (Total Votes Available for Use) between fiscal years 2025-2026 and 2024-2025

The total vote available for use as at June 30, 2025, is \$834.1 million, which represents an increase of \$420 million compared to the same period in the previous year (101%).

Authorities (in thousands of dollars)	2025-2026	2024-2025	Variance	%
Vote 1 - Operating expenditures	282 745	242 285	40 460	17%
Vote 5 - Capital expenditures	466 960	80 060	386 900	483%
Vote 10 - Grants and contributions	67 018	79 468	(12 450)	(16%)
Contributions to employee benefit plans	17 358	12 154	5 204	43%
Proceeds from disposal of surplus Crown assets	50	59	(9)	(15%)
<b>Total budgetary authorities</b>	<b>834 131</b>	<b>414 026</b>	<b>420 105</b>	<b>101%</b>

### **Authorizations related to Vote 1 (operating expenditures)**

At June 30, 2025, authorizations totalled \$282.7 million, compared with \$242.3 million at June 30, 2024, an increase of \$40 million (17%).

The increase is mainly explained by the following items:

- An increase of \$32.5 million for activities related to the Lunar Exploration Acceleration Program (LEAP) - Lunar Utility Vehicle project.
- An increase of \$13.6 million for activities related to the project Mission High-Altitude Aerosols, Water vapor and Clouds (HAWK) - Thin Ice Clouds and Far InfraRed Emissions (TICFIRE).
- An increase of \$5.9 million for activities related to the successor to the RADARSAT Constellation Mission.
- An increase of \$4.2 million in salaries related to compensation received from Treasury Board for collective agreements.
- An increase of \$3.6 million for science-related activities on the Gateway Station.
- A decrease of \$23.8 million for activities related to the International Space Station (ISS) project.
- A decrease of \$10.2 million for the CSA's contribution to the government spending refocusing exercise.
- The residual difference consists of multiple variations inherent to the Canadian Space Program (CSP) Resource Management. They result from the fact that budgetary requirements by vote are not linear from one year to the next, requiring vote transfers or fund carry forwards to another fiscal year.

### **Authorizations related to Vote 5 (capital expenditures)**

At June 30, 2025, authorizations totalled \$467 million, compared with \$80 million at June 30, 2024, a significant increase of \$387 million (483%).

The increase is mainly explained by the following items:

- An increase of \$416.7 million in activities related to the Canadarm 3 project.
- A decrease of \$15.9 million in activities related to Gateway Station External Robotic Interfaces (GERI).
- A decrease of \$6.5 million for activities related to the Lunar Exploration Acceleration Program (LEAP) - Canadian Lunar Rover Mission project.

- The residual difference consists of multiple variations inherent to the Canadian Space Program (CSP) Resource Management. They result from the fact that budgetary requirements by vote are not linear from one year to the next, requiring vote transfers or fund carry forwards to another fiscal year.

### **Authorizations related to Vote 10 (grants and contributions)**

At June 30, 2025, authorizations totalled \$67 million, compared with \$79.5 million at June 30, 2024, a decrease of \$12.5 million (-16%).

The decrease is mainly explained by the following items:

- An increase of \$3 million for activities related to International Space Station (ISS) contribution activities.
- An increase of \$1.2 million for contributions related to the project Mission High-Altitude Aerosols, Water vapor and Clouds (HAWK) - Thin Ice Clouds and Far InfraRed Emissions (TICFIRE).
- A decrease of \$8 million on the same period last year for the contribution program under the Cooperation Agreement between Canada and the European Space Agency, for the Mars Sample Return (MSR) project.
- A decrease of \$1 million in the overall grants and contributions program to support research, awareness and education in space science and technology, as CSA's contribution to the government's refocusing exercise.
- The residual difference consists of multiple variations inherent to the Canadian Space Program (CSP) Resource Management. They result from the fact that budgetary requirements by vote are not linear from one year to the next, requiring vote transfers or fund carry forwards to another fiscal year.

## 2.2 Significant Changes in the Quarterly and Year-to-Date Expenditures (Votes Used) between fiscal years 2025-2026 and 2024-2025

Cumulative expenditures as at June 30, 2025, are \$69.3 million and represent a cumulative decrease of \$22.9 million over the same period last year.

### Expenditures by Vote as of June 30

Expenditures by Vote <i>(in thousands of dollars)</i>	2025-2026		2024-2025		Variance	
	Quarterly	Year to date	Quarterly	Year to date	Quarterly	Year to date
Vote 1 - Operating expenditures	33 919	33 919	38 092	38 092	(4 173)	(4 173)
Vote 5 - Capital expenditures	18 052	18 052	42 403	42 403	(24 351)	(24 351)
Vote 10 - Grants and contributions	12 988	12 988	8 671	8 671	4 317	4 317
Contributions to employee benefit plans	4 340	4 340	3 039	3 039	1 301	1 301
Spending of proceeds from disposal of surplus Crown assets	-	-	-	-	-	-
<b>Total budgetary expenditures by Vote</b>	<b>69 299</b>	<b>69 299</b>	<b>92 205</b>	<b>92 205</b>	<b>(22 906)</b>	<b>(22 906)</b>

### **Expenditures related to Vote 1 (operating expenditures)**

The decrease of \$4.2 million in quarterly expenses (-11%) are mainly due to retroactive payments made following the ratification of collective agreements in 2024.

### **Expenditures related to Vote 5 (capital expenditures)**

The decrease of \$24.4 million in quarterly expenses (-57%) are mainly due to variations in the payment schedule for the Canadarm3 project.

### **Expenditures related to Vote 10 (grants and contributions)**

The increase of \$4.3 million in quarterly expenses (50%) are mainly due to variations in the payment schedule to the European Space Agency (ESA).

**Expenditures by Standard Object as of June 30**

Expenditures by Standard Object <i>(in thousands of dollars)</i>	2025-2026		2024-2025		Variance	
	Quarterly	Year to date	Quarterly	Year to date	Quarterly	Year to date
Personnel	27 653	27 653	30 889	30 889	(3 236)	(3 236)
Transportation and communications	775	775	784	784	(9)	(9)
Information	67	67	213	213	(146)	(146)
Professional and special services	26 088	26 088	48 077	48 077	(21 989)	(21 989)
Rentals	914	914	622	622	292	292
Repair and maintenance	144	144	2 375	2 375	(2 231)	(2 231)
Utilities, materials and supplies	337	337	280	280	57	57
Acquisition of land, buildings and works	-	-	-	-	-	-
Acquisition of machinery and equipment	316	316	293	293	23	23
Transfer payments	12 988	12 988	8 671	8 671	4 317	4 317
Other subsidies and payments	17	17	1	1	16	16
<b>Total budgetary expenditures by Standard Object</b>	<b>69 299</b>	<b>69 299</b>	<b>92 205</b>	<b>92 205</b>	<b>(22 906)</b>	<b>(22 906)</b>

Total CSA expenses reported in the 1<sup>st</sup> quarter of 2025-2026 amounted to \$69.3 million, compared with \$92.2 million for the same period last year. This represents a decrease of \$23 million (-25%) on the previous year.

Significant variances, by standard object, are as follows:

**Personnel**

The decrease of \$3.2 million in quarterly expenses (-10%) are mainly due to retroactive payments following the ratification of collective agreements in 2024.

**Professional and special services**

The decrease of \$22 million in quarterly expenses (-46%) are mainly due to variations in the payment schedule for the Canadarm3 project.

**Repair and maintenance**

The decrease of \$2.2 million in quarterly expenses (-94%) are mainly due to major work carried out at our headquarters, the John H. Chapman Space Center in 2024.

**Transfer payments**

The increase of \$4.3 million in quarterly expenses (50%) are mainly due to variations in the payment schedule to the European Space Agency (ESA).

### **3. Risks and Uncertainties**

The Canadian Space Agency operates in an ever-changing environment. The specific nature of the Canadian Space Program confronts the CSA with issues related to the advanced technologies used in space missions as well as the international aspect of some projects. For Canada, activities in space must be carried out in partnership with other space-faring nations, using innovative technologies. The international nature and technical challenges associated with developing and implementing disruptive technologies, in collaboration with multiple partners, generate risks in the delivery of projects. Also, the possibility of a disruption of services or unauthorized disclosure of information resulting from a cybersecurity event poses an additional risk to the CSA's operations. These elements translate into financial risks associated with the use of funds such as the deferral of funds and costs increases.

Risks also arise from the Canada / European Space Agency (ESA) Cooperation Agreement. They include variations in amounts payable resulting from changes in the Gross National Product (GNP) statistics, the fluctuation of the Canadian dollar against the euro (exchange rate), inflation and the enforcement of the ESA's industrial policy. These risks have an impact on both costs and cash flow profiles.

To mitigate these risks, the CSA regularly reviews its project portfolio, activity plans, schedules and financial management strategies to adjust to changes brought on by the space programs of its key partners (National Aeronautics and Space Administration (NASA), ESA and other space agencies). In addition, rigorous project management practices are in place, as well as cybersecurity risk mitigation measures. These initiatives allow the CSA to track and report on the progress of its commitments, to assess the effectiveness of its work, and to align its resources with its priorities.

Also, to reinforce the measures already in place, the CSA relies on a structured risk management framework, including interdisciplinary consultations during cost estimation, rigorous monitoring through monthly dashboards, a formal risk register, and a demanding financial certification process. These mechanisms enable early detection of deviations, rapid adaptation to unforeseen circumstances, and greater financial predictability despite the challenges posed by inflation, the scarcity of specialized suppliers, the immaturity of certain technologies, and adjustments imposed by international partners.



**CANADIAN SPACE AGENCY**  
**Quarterly Financial Report**  
**For the quarter ended June 30, 2025**  
**Statement of Authorities** (unaudited)  
(in thousands of dollars)

Annex 1

	<b>Fiscal Year 2025-2026</b>			<b>Fiscal Year 2024-2025</b>		
	Total available for use for the year ending March 31, 2026 (1)	Used during the quarter ended June 30, 2025	Year to date used at quarter-end	Total available for use for the year ending March 31, 2025 (1)	Used during the quarter ended June 30, 2024	Year to date used at quarter-end
	\$	\$	\$	\$	\$	\$
Vote 1: Operating expenditures	282 745	33 919	33 919	242 285	38 092	38 092
Vote 5: Capital expenditures	466 960	18 052	18 052	80 060	42 403	42 403
Vote 10: Grants and contributions	67 018	12 988	12 988	79 468	8 671	8 671
Contributions to employee benefit plans	17 358	4 340	4 340	12 154	3 039	3 039
Spending of proceeds from the disposal of surplus Crown assets	50	-	-	59	-	-
<b>Total budgetary authorities</b>	<b>834 131</b>	<b>69 299</b>	<b>69 299</b>	<b>414 026</b>	<b>92 205</b>	<b>92 205</b>

(1) Includes only Authorities available for use and granted by Parliament at quarter-end.

**CANADIAN SPACE AGENCY**

Annex 2

**Quarterly Financial Report**

**For the quarter ended June 30, 2025**

**Departmental budgetary expenditures by Standard Object (unaudited)**

(in thousands of dollars)

	<b>Fiscal Year 2025-2026</b>			<b>Fiscal Year 2024-2025</b>		
	Total available for use for the year ending March 31, 2026 (2)	Used during the quarter ended June 30, 2025	Year to date used at quarter-end	Total available for use for the year ending March 31, 2025 (2)	Used during the quarter ended June 30, 2024	Year to date used at quarter-end
<b>Expenditures:</b>	\$	\$	\$	\$	\$	\$
Personnel	130 811	27 653	27 653	100 228	30 889	30 889
Transportation and communications	8 311	775	775	8 543	784	784
Information	1 242	67	67	2 246	213	213
Professional and special services	612 297	26 088	26 088	206 455	48 077	48 077
Rentals	3 870	914	914	4 084	622	622
Repair and maintenance	3 209	144	144	3 857	2 375	2 375
Utilities, materials and supplies	1 629	337	337	1 272	280	280
Acquisition of land, buildings and works	-	-	-	125	-	-
Acquisition of machinery and equipment	3 067	316	316	5 187	293	293
Transfer payments	67 018	12 988	12 988	79 468	8 671	8 671
Other subsidies and payments	2 677	17	17	2 561	1	1
<b>Total budgetary expenditures</b>	<b>834 131</b>	<b>69 299</b>	<b>69 299</b>	<b>414 026</b>	<b>92 205</b>	<b>92 205</b>

(2) Includes only Authorities available for use and granted by Parliament at quarter-end.