



Canadian Space Agency
Agence spatiale
canadienne



Canadian Space Agency

2025-2026

Quarterly Financial Report

For the Quarter Ended

September 30, 2025

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

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

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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](#)¹.

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](#)¹.

¹ *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.

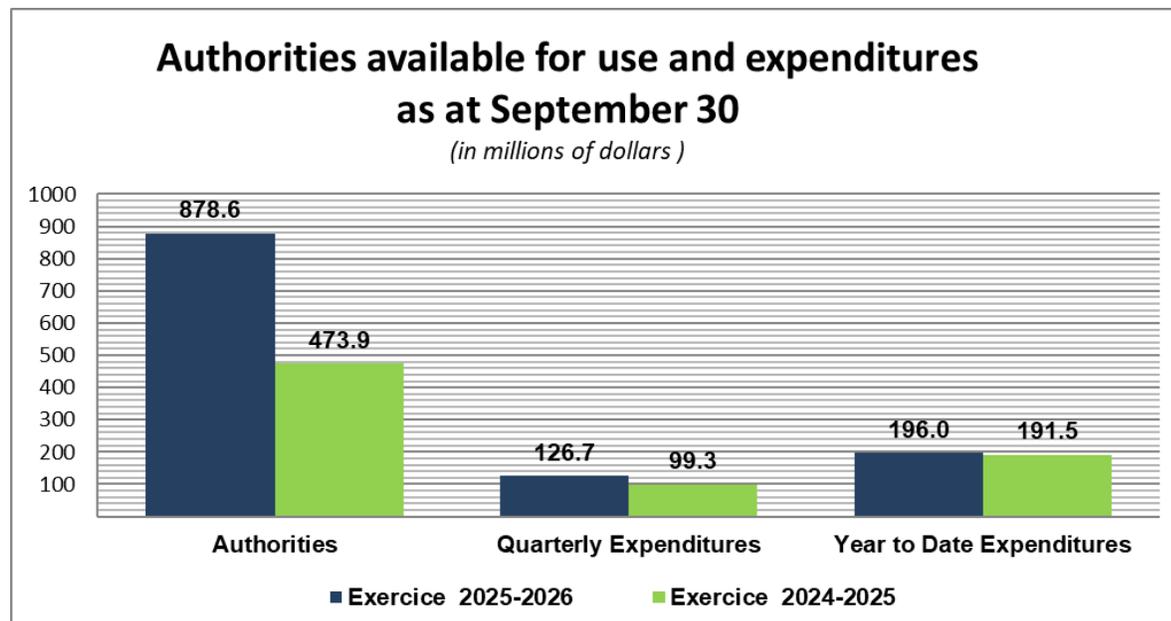
The authority of Parliament is required before money can be spent by the Government. Approvals are given in the form of annually approved limits through appropriation acts or through legislation in the form of statutory spending authority for specific purposes.

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 September 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 September 30, 2025, is \$878.6 million, which represents an increase of \$404.6 million compared to the same period in the previous year (85%).

Authorities (in thousands of dollars)	2025-2026	2024-2025	Variance	%
Vote 1 - Operating expenditures	293,711	248,371	45,340	18%
Vote 5 - Capital expenditures	500,420	133,868	366,552	274%
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	56	74	(18)	(24%)
Total budgetary authorities	878,563	473,935	404,628	85%

Authorizations related to Vote 1 (operating expenditures)

At September 30, 2025, authorizations totaled \$293.7 million, compared with \$248.4 million at September 30, 2024, an increase of \$45 million (18%).

The increase is mainly explained by the following items:

- An increase of \$4.9 million related to the operating budget carry-forward received in 2025–2026, which is higher than the amount received in 2024–2025.
- 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 September 30, 2025, authorizations totaled \$500.4 million, compared with \$133.9 million at September 30, 2024, a significant increase of \$366.6 million (274%).

The increase is mainly explained by the following items:

- A decrease of \$20.3 million related to the capital budget carry-forward received in 2025–2026, which is lower than the amount received in 2024-2025.
- An increase of \$416.7 million in activities related to the Canadarm 3 project.

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- A decrease of \$15.9 million in activities related to Gateway Station External Robotic Interfaces (GERI).
- 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 September 30, 2025, authorizations totaled \$67 million, compared with \$79.5 million at September 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.
- 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.
- 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 September 30, 2025, are \$196 million and represent a cumulative increase of \$4.5 million over the same period last year. Quarterly expenditures as at September 30, 2025, are \$126.7 million and represent an increase of \$27.4 million from the same quarter last year.

Expenditures by Vote as of September 30

Expenditures by Vote (in thousands of dollars)	2025-2026		2024-2025		Variance	
	Quarterly	Year to date	Quarterly	Year to date	Quarterly	Year to date
Vote 1 - Operating expenditures	62,600	96,519	53,688	91,780	8,912	4,739
Vote 5 - Capital expenditures	55,779	73,831	36,938	79,341	18,841	(5,510)
Vote 10 - Grants and contributions	4,026	17,014	5,680	14,351	(1,654)	2,663
Contributions to employee benefit plans	4,339	8,679	3,038	6,077	1,301	2,602
Spending of proceeds from disposal of surplus Crown assets	-	-	-	-	-	-
Total budgetary expenditures by Vote	126,744	196,043	99,344	191,549	27,400	4,494

Expenditures related to Vote 1 (operating expenditures)

The increase of \$8.9 million in quarterly expenses (17%) and of \$4.7 million in year-to-date expenditures (5%) are mainly due to variations in the payment schedule for projects such as the Lunar Rover Mission and the use of the Gateway station.

Expenditures related to Vote 5 (capital expenditures)

The increase of \$18.8 million in quarterly expenses (51%) is mainly due to variations in the payment schedule for the Canadarm3 project. The decrease of \$5.5 million in year-to-date expenditures (-7%) were also mainly due to variations in the payment schedule for the Canadarm3 project, as well as major work carried out at headquarters, the John H. Chapman Space Centre, in 2024.

Expenditures related to Vote 10 (grants and contributions)

The decrease of \$1.7 million in quarterly expenses (-29%) was mainly due to variations in the payment schedule for contributions to initiatives such as Health Beyond Initiative and Lunar Surface Exploration initiative (LSEI). The increase of \$2.7 million in year-to-date expenditures (19%) was mainly due to variations in the payment schedule to the European Space Agency (ESA).

Expenditures by Standard Object as of September 30

Expenditures by Standard Object (in thousands of dollars)	2025-2026		2024-2025		Variance	
	Quarterly	Year to date	Quarterly	Year to date	Quarterly	Year to date
Personnel	38,254	65,907	29,052	59,941	9,202	5,966
Transportation and communications	1,242	2,017	1,411	2,195	(169)	(178)
Information	194	261	277	490	(83)	(229)
Professional and special services	76,433	102,521	56,380	104,457	20,053	(1,936)
Rentals	1,390	2,304	752	1,374	638	930
Repair and maintenance	508	652	2,704	5,079	(2,196)	(4,427)
Utilities, materials and supplies	437	774	315	595	122	179
Acquisition of land, buildings and works	24	24	-	-	24	24
Acquisition of machinery and equipment	2,107	2,423	687	980	1,420	1,443
Transfer payments	4,026	17,014	5,680	14,351	(1,654)	2,663
Other subsidies and payments	2,129	2,146	2,086	2,087	43	59
Total budgetary expenditures by Standard Object	126,744	196,043	99,344	191,549	27,400	4,494

Total CSA expenses reported in the 2nd quarter of 2025-2026 amounted to \$126.7 million, compared with \$99.3 million for the same period last year. This represents a year-on-year increase of \$27.4 million (28%).

Cumulative expenditures as at September 30, 2025, totaled \$196 million, and represent a cumulative increase of \$191.5 million over the same period last year. This represents an increase of \$4.5 million (2%) this year.

Significant variances, by standard object, are as follows:

Personnel

The increase of \$9.2 million in quarterly expenses (32%) and the increase of \$6 million in year-to-date expenditures (10%) is mainly due to the increase in the agency’s workforce and variations in the payment schedule for salary disbursements.

Professional and special services

The increase of \$20 million in quarterly expenses (36%) and the decrease of \$1.9 million in year-to-date expenditures (-2%) is mainly due to variations in the payment schedule for the Canadarm3 project.

Repair and maintenance

The decrease of \$2.2 million in quarterly expenses (-81%) and the decrease of \$4.4 million in year-to-date expenditures (-87%) is mainly due to major work carried out at our headquarters, the John H. Chapman Space Center in 2024.

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.

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Statement of Authorities (unaudited)
(in thousands of dollars)

Annex 1

	Fiscal Year 2025-2026			Fiscal Year 2024-2025		
	Total available for use for the year ending March 31, 2026 (1)	Used during the quarter ended September 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 September 30, 2024	Year to date used at quarter-end
	\$	\$	\$	\$	\$	\$
Vote 1: Operating expenditures	293,711	62,600	96,519	248,371	53,688	91,780
Vote 5: Capital expenditures	500,420	55,779	73,831	133,868	36,938	79,341
Vote 10: Grants and contributions	67,018	4,026	17,014	79,468	5,680	14,351
Contributions to employee benefit plans	17,358	4,339	8,679	12,154	3,038	6,077
Spending of proceeds from the disposal of surplus Crown assets	56	-	-	74	-	-
Total budgetary authorities	878,563	126,744	196,043	473,935	99,344	191,549

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

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For the quarter ended September 30, 2025
Departmental budgetary expenditures by Standard Object (unaudited)
(in thousands of dollars)

	Fiscal Year 2025-2026			Fiscal Year 2024-2025		
	Total available for use for the year ending March 31, 2026 (2)	Used during the quarter ended September 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 September 30, 2024	Year to date used at quarter-end
Expenditures:	\$	\$	\$	\$	\$	\$
Personnel	139,289	38,254	65,907	104,375	29,052	59,941
Transportation and communications	8,311	1,242	2,017	8,543	1,411	2,195
Information	1,242	194	261	2,246	277	490
Professional and special services	645,813	76,433	102,521	256,052	56,380	104,457
Rentals	3,870	1,390	2,304	4,084	752	1,374
Repair and maintenance	4,914	508	652	8,750	2,704	5,079
Utilities, materials and supplies	1,659	437	774	1,556	315	595
Acquisition of land, buildings and works	177	24	24	269	-	-
Acquisition of machinery and equipment	3,593	2,107	2,423	6,031	687	980
Transfer payments	67,018	4,026	17,014	79,468	5,680	14,351
Other subsidies and payments	2,677	2,129	2,146	2,561	2,086	2,087
Total budgetary expenditures	878,563	126,744	196,043	473,935	99,344	191,549

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