



Canadian Space Agency

2025-2026

Quarterly Financial Report

For the Quarter Ended

December 31, 2025

**Management Statement
for the Quarter Ended December 31, 2025**

Canadian Space Agency
Quarterly Financial Report
For the quarter ended December 31, 2025

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represented by the Minister of Innovation, Science and Industry, 2026
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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.

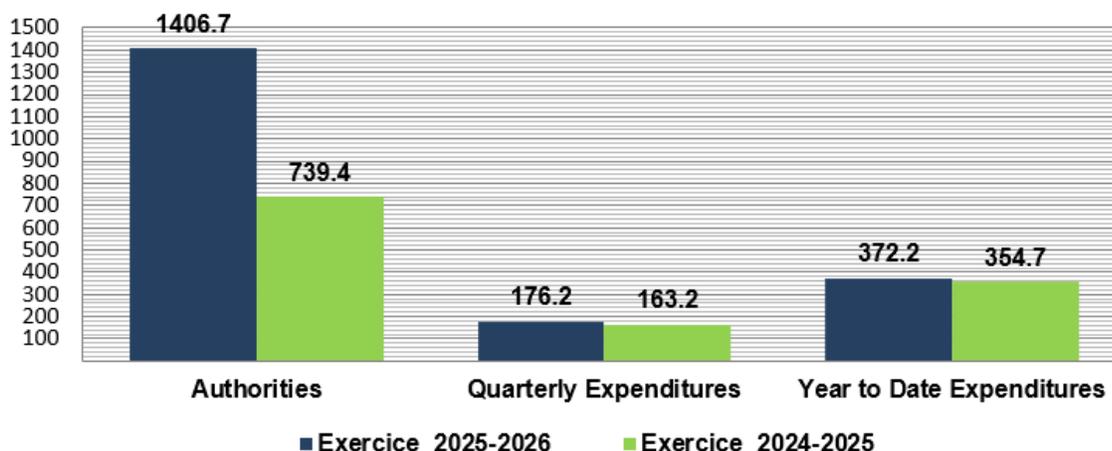
2. Highlights of the Quarterly Financial Results

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 December 31, 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.

Authorities available for use and expenditures as at December 31

(in millions of dollars)



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 December 31, 2025, is \$1,406.7 million, which represents an increase of \$667.2 million compared to the same period in the previous year (90%).

Authorities (in thousands of dollars)	2025-2026	2024-2025	Variance	%
Vote 1 - Operating expenditures	283,515	266,460	17,055	6%
Vote 5 - Capital expenditures	510,165	378,251	131,914	35%
Vote 10 - Grants and contributions	595,545	79,468	516,077	649%
Contributions to employee benefit plans	17,358	15,153	2,205	15%
Proceeds from disposal of surplus Crown assets	67	76	(9)	(12%)
Total budgetary authorities	1,406,650	739,408	667,242	90%

Authorizations related to Vote 1 (operating expenditures)

At December 31, 2025, authorizations totaled \$283.5 million, compared with \$266.5 million at December 31, 2024, an increase of \$17.1 million (6%).

The increase is mainly explained by the following items:

- An increase of \$26.2 million for activities related to the Lunar Exploration Accelerator 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).
- A decrease of \$23.8 million for activities related to the International Space Station (ISS) 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 5 (capital expenditures)

At December 31, 2025, authorizations totaled \$510.2 million, compared with \$378.3 million at December 31, 2024, an increase of \$131.9 million (35%).

The increase is mainly explained by the following items:

- An increase of \$10 million for activities related to the RADARSAT+ project.
- An increase of \$172.2 million for activities related to the Canadarm3 project.
- 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.
- 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 December 31, 2025, authorizations totaled \$595.5 million, compared with \$79.5 million at December 31, 2024, a significant increase of \$516.1 million (649%).

The decrease is mainly explained by the following items:

- An increase of \$528.5 million for the contributions program under the Cooperation Agreement between Canada and the European Space Agency (ESA), offset by a decrease of \$8 million, under the same Agreement, 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 December 31, 2025, are \$372.2 million and represent a cumulative increase of \$17.5 million over the same period last year. Quarterly expenditure as at December 31, 2025, are \$176.2 million and represent an increase of \$13 million from the same quarter last year.

Expenditures by Vote as of December 31

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	58,903	155,422	59,776	151,556	(873)	3,866
Vote 5 - Capital expenditures	97,229	171,060	89,304	168,645	7,925	2,415
Vote 10 - Grants and contributions	15,679	32,693	11,051	25,402	4,628	7,291
Contributions to employee benefit plans	4,340	13,019	3,039	9,116	1,301	3,903
Spending of proceeds from disposal of surplus Crown assets	-	-	-	-	-	-
Total budgetary expenditures by Vote	176,151	372,194	163,170	354,719	12,981	17,475

Expenditures related to Vote 1 (operating expenditures)

The decrease of \$0.9 million in quarterly expenses (-2%) is mainly due to variations in the payment schedule for projects such as the Lunar Rover Mission and the International Space Station. The increase of \$3.9 million in year-to-date expenditures (3%) is mainly due to variations in the payment schedule for projects such as the RADARSAT Constellation Mission and the International Space Station.

Expenditures related to Vote 5 (capital expenditures)

The increase of \$7.9 million in quarterly expenses (9%) and of \$2.4 million in year-to-date expenditures (1%) are mainly due to variations in the payment schedule for the Canadarm3 project and the WildFire mission.

Expenditures related to Vote 10 (grants and contributions)

The increase of \$ 4.6 million in quarterly expenses (42%) and of \$7.3 million in year-to-date expenditures (29%) are mainly due to variations in the payment schedule to the European Space Agency (ESA).

Expenditures by Standard Object as of December 31

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	35,098	101,005	32,122	92,063	2,976	8,942
Transportation and communications	1,511	3,528	1,519	3,714	(8)	(186)
Information	249	510	579	1,069	(330)	(559)
Professional and special services	120,361	222,882	112,707	217,164	7,654	5,718
Rentals	1,242	3,546	1,959	3,333	(717)	213
Repair and maintenance	836	1,488	1,599	6,678	(763)	(5,190)
Utilities, materials and supplies	369	1,143	444	1,039	(75)	104
Acquisition of land, buildings and works	17	41	-	-	17	41
Acquisition of machinery and equipment	753	3,176	1,168	2,148	(415)	1,028
Transfer payments	15,678	32,692	11,051	25,402	4,627	7,290
Other subsidies and payments	37	2,183	22	2,109	15	74
Total budgetary expenditures by Standard Object	176,151	372,194	163,170	354,719	12,981	17,475

Total CSA expenses reported in the 3rd quarter of 2025-2026 amounted to \$176.2 million, compared to \$163.2 million at the same time last year. This represents a year-on-year increase of \$13 million (8%).

Cumulative expenditures as at December 31, 2025, totaled \$372.2 million, compared to \$354.7 million at the same time last year. This represents an increase of \$17.5 million (5%) this year.

Significant variances, by standard object, are as follows:

Personnel

The increase of \$3 million in quarterly expenses (9%) and of \$8.9 million in year-to-date expenditures (10%) are mainly due to the increase in the agency's workforce.

Professional and special services

The increase of \$7.7 million in quarterly expenses (7%) and of \$5.7 million in year-to-date expenditures (3%) are mainly due to variations in the payment schedule for the Canadarm3 project and the WildFire mission.

Transfer payments

The increase of \$4.6 million in quarterly expenses (42%) and of \$7.3 million in year-to-date expenditures (29%) 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.

4. Significant Changes in Relation to Operations, Personnel and Programs

There have been no significant changes to operations, personnel and programs during the third quarter of 2025-2026.

CANADIAN SPACE AGENCY
Quarterly Financial Report
For the quarter ended December 31, 2025
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 December 31, 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 December 31, 2024	Year to date used at quarter-end
	\$	\$	\$	\$	\$	\$
Vote 1: Operating expenditures	283,515	58,903	155,422	266,460	59,776	151,556
Vote 5: Capital expenditures	510,165	97,229	171,060	378,251	89,304	168,645
Vote 10: Grants and contributions	595,545	15,679	32,693	79,468	11,051	25,402
Contributions to employee benefit plans	17,358	4,340	13,019	15,153	3,039	9,116
Spending of proceeds from the disposal of surplus Crown assets	67	-	-	76	-	-
Total budgetary authorities	1,406,650	176,151	372,194	739,408	163,170	354,719

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

CANADIAN SPACE AGENCY
For the quarter ended December 31, 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 December 31, 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 December 31, 2024	Year to date used at quarter-end
Expenditures:	\$	\$	\$	\$	\$	\$
Personnel	139,717	35,098	101,005	122,275	32,122	92,063
Transportation and communications	8,311	1,511	3,528	8,866	1,519	3,714
Information	1,242	249	510	2,246	579	1,069
Professional and special services	644,934	120,361	222,882	503,080	112,707	217,164
Rentals	3,870	1,242	3,546	4,084	1,959	3,333
Repair and maintenance	4,914	836	1,488	8,750	1,599	6,678
Utilities, materials and supplies	1,659	369	1,143	1,556	444	1,039
Acquisition of land, buildings and works	177	17	41	269	-	-
Acquisition of machinery and equipment	3,604	753	3,176	6,253	1,168	2,148
Transfer payments	595,545	15,678	32,692	79,468	11,051	25,402
Other subsidies and payments	2,677	37	2,183	2,561	22	2,109
Total budgetary expenditures	1,406,650	176,151	372,194	739,408	163,170	354,719

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