

TAUĀKĪ WHĀINGA MAHI  
STATEMENT OF  
PERFORMANCE  
EXPECTATIONS

2026/27

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Presented to the House of Representatives under Sections 150–157 of the *Crown Entities Act 2004*.

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# FOREWORD FROM THE BOARD /

The Board of REANNZ is pleased to provide this Statement of Performance Expectations for the financial year 2026/27. It sets out REANNZ's priorities and performance expectations for the year ahead.

REANNZ is a cornerstone of knowledge sharing capability for the research, education and innovation sectors, enabling the exchange of world-changing ideas and linking New Zealand to high-performance, data-intensive global research and technology networks.

On 1 July 2026, the people, assets and services of New Zealand eScience Infrastructure (NeSI) were integrated into REANNZ. Since then, REANNZ has worked with the sector to set a new five-year strategy; and developed a new operating model to implement the strategy and support delivery in a rapidly evolving technology landscape shaped by AI, advanced computing and data-intensive research.

In the coming year, REANNZ will continue to build on its refreshed role as a connector and enabler for the research, education and innovation sectors. As a technology provider, REANNZ is committed to connecting the sectors with emerging technology, supporting them to work at pace and accelerate research impact. REANNZ will continuously evolve its platforms and services to meet the demands of high-performance computing, AI-driven research and large-scale data exchange, while acting as a trusted steward of nationally significant, sovereign digital research infrastructure.

REANNZ will scale and grow its services, reach and impact for the sectors; strengthen its role as a trusted partner for eResearch infrastructure; and

support better coordination across the sector to solve common problems.

This will include implementing a new technology roadmap, expanding offerings through brokered and federated service models, developing new training and community building approaches, and strengthening engagement across the sector to support greater uptake and more effective use of REANNZ services.

REANNZ will continue to prioritise equitable access, flexibility and collaboration, recognising that participation across the system is critical to achieving national impact and supporting a more resilient and inclusive digital future.

As a Crown-owned company, governed by an independent Board of Directors, REANNZ will continue to operate with a strong focus on effective governance, financial discipline and value for money to maximise the impact of Government investment in eResearch infrastructure.

We look forward to working with the sectors over the coming year to support the delivery of the Government's research priorities and realise greater value for the research, education and innovations sectors.



**Helen Robinson ONZM**  
Chair

30 June 2026



# ABOUT REANNZ /

Research and Education Advanced Network New Zealand (REANNZ) is a Crown-owned company and membership organisation that supports New Zealand's research, education and innovation sectors. It provides the shared digital infrastructure and expertise these sectors rely on to work effectively, both in New Zealand and internationally.

REANNZ's infrastructure is engineered to meet the specialist performance needs of researchers, educators and innovators. It enables them to work with large volumes of data, collaborate across institutions, and access advanced computing capability. It has two core components: The National Research and Education Network (NREN) and high-performance computing (HPC).

The NREN is a purpose-built fibre optic network that operates differently from commercial networks. It is supported by trust, security, and collaboration services that allow data transfer at a scale not consistently possible on standard networks. More than 120 countries operate an NREN, together forming the Global Research and Education Network (GREN) which underpins global, data intensive research.

REANNZ provides national-scale advanced computing and data analysis capability, supported by specialist software and expertise to process and analyse massive datasets and train complex models to accelerate the research process. Paired with the NREN, it enables large-scale national and global research that would otherwise not be possible.

Beyond infrastructure, REANNZ provides services to help researchers get greater value from its infrastructure. This includes expert advice, hands-on support, training, tools and consultancy services to help the sector adopt new technology, use it more confidently, and deliver greater impact for New Zealand.

Working across the sector, REANNZ helps overcome challenges of distance, scale and fragmentation by identifying shared needs and delivering sector-wide solutions that no single institution could deliver on its own. This collective approach enables stronger collaboration and supports greater impact from New Zealand's research, education and innovation ecosystem.

Members and users of REANNZ include public and private research organisations, wānanga, universities and other tertiary institutions, museums, libraries, and government organisations.

# OUR MISSION /

To connect researchers, educators and innovators so they can change the world.

# OUR VISION /

To build a globally thriving research, education and innovation ecosystem in New Zealand.

# OUR MINDSET /

REANNZ's core values support it to achieve its aspirations for the sector

Values	Actions
<b>Trust</b> Earning trust and enabling discovery	<b>We are</b> <ul style="list-style-type: none"><li>&gt; <b>Transparent</b></li><li>&gt; <b>Accountable</b></li><li>&gt; <b>Understanding</b></li><li>&gt; <b>Humble</b></li></ul>
<b>Collaboration</b> Together, everyone achieves more	<b>We are</b> <ul style="list-style-type: none"><li>&gt; <b>United</b></li><li>&gt; <b>Respectful</b></li><li>&gt; <b>Inclusive</b></li><li>&gt; <b>Tolerant</b></li></ul>
<b>Innovation</b> Redefining the possible	<b>We are</b> <ul style="list-style-type: none"><li>&gt; <b>Resourceful</b></li><li>&gt; <b>Forward thinking</b></li><li>&gt; <b>Empowered</b></li><li>&gt; <b>Courageous</b></li></ul>
<b>Excellence</b> Delivering our best, every time	<b>We are</b> <ul style="list-style-type: none"><li>&gt; <b>Customer centric</b></li><li>&gt; <b>Reliable</b></li><li>&gt; <b>Pragmatic</b></li><li>&gt; <b>Solution focused</b></li></ul>
<b>Integrity</b> The foundation of all we do	<b>We are</b> <ul style="list-style-type: none"><li>&gt; <b>Honest</b></li><li>&gt; <b>Fair</b></li><li>&gt; <b>Trustworthy</b></li></ul>

What we deliver:

### Network and connectivity

As the NREN provider for New Zealand, REANNZ provides a purpose-built, resilient, high-speed and high-capacity network that delivers reliable and cost-effective connectivity for members, regardless of their location.

### Network protection

REANNZ partners with experts to gain enhanced cyberthreat intelligence and build cybersecurity resilience that helps protect members' institutions from malicious actors.

### Federated identity and access management

REANNZ provides trusted and secure federated identity and access management that enables seamless, global access to online content, services, subscriptions and resources, reducing the number of accounts that users and their IT support teams must manage.

### Advanced computing

REANNZ provides the infrastructure that supports data-intensive work delivered at speed and scale. Through these platforms, users can access high-capacity central processing units (CPU), graphical processing units (GPU) and high memory nodes; work interactively in web-based notebooks, containers, and virtual lab environments; access an extensive software library; and scale code and expand projects.

### Data services

REANNZ provides the tools and technologies needed to store, process, analyse, visualise, transfer, and share high volumes of data.

### Training and consultancy

REANNZ supports users to maximise their use of its infrastructure and tools through training and development delivered by local and international experts. One-on-one or group support for individual projects and teams is also available.

# STRATEGIC INTENT /

REANNZ's mission is to connect researchers, educators and innovators so they can change the world.

REANNZ's vision is a high-performing, future-ready ecosystem, seamlessly connected by world-class digital infrastructure.

REANNZ will focus on four key areas to achieve its vision and mission:

## Preferred partner for eResearch infrastructure

REANNZ will be the preferred partner for eResearch infrastructure, lowering barriers to access, delivering at scale, and brokering services to increase choice and value. A strong focus on customer experience and engagement will drive greater participation across the sector.

## Leveraging the sector's collective strength

Leveraging the sector's collective strengths to enable institutions to do more together than they can alone, through shared capability, federated access to tools and services, and coordinated approaches to investment and delivery. This includes a stronger leadership and advocacy role to align effort and increase impact. REANNZ will also leverage the benefits of its global ecosystem to provide greater value for money for the sector.

## Infrastructure innovation hub

Supporting the sector to explore, test, and adopt emerging technologies, providing access to advanced platforms, tools and collaborative environments that enable new ways of working and supports the sectors to move at pace and accelerate research outcomes.

## Building organisational capability

We will focus on organisational capability, ensuring the leadership, systems, and delivery discipline required to support the sector, scale services effectively, and deliver on its expanded role.

# PRIORITIES AND MAJOR INITIATIVES 2026/27 /

Our key initiatives and performance measures are designed to achieve REANNZ’s vision of a thriving research, innovation and education ecosystem connected by world-class digital infrastructure.

## Preferred partner for eResearch infrastructure

To connect and empower the sector, REANNZ must broaden the reach and impact of its services. REANNZ will redesign its membership models, lower barriers to access, and offer a broader range of services.

Delivering outstanding customer experience and service will be critical for REANNZ to become the partner of choice for eResearch infrastructure. REANNZ will actively engage with the sector to build awareness and participation and grow its customer base. It will continue to leverage the GREN network to support innovation, increase resiliency and bring new products to the sector.

### Expected Outcomes

Year 1	Year 2-3	Year 4-5
<ul style="list-style-type: none"> <li>&gt; Enabling reliable and seamless service delivery through implementation of a new operating model</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Expanding access and participation by growing the REANNZ customer base</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Building a more capable and cohesive sector as the preferred provider of digital eResearch infrastructure.</li> </ul>
<ul style="list-style-type: none"> <li>&gt; Improving access, choice and transparency through a new pricing model and service catalogue</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Improving consistency, usability and value through scaling and expanding the service catalogue and improved service design</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Delivering a range of services aligned to evolving sector needs</li> </ul>
<ul style="list-style-type: none"> <li>&gt; Simplifying access to digital eResearch infrastructure and services through delivery of a customer portal</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Enhancing user experience and efficiency through further development of the customer portal to support self-service</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Providing a primary digital access point for REANNZ products and services through a mature customer portal</li> </ul>

### FY2026/27 Initiatives

- > **Provide greater certainty and transparency by implementing a refreshed pricing model, underpinned by a defined service catalogue**
- > **Improve customer service by redesigning REANNZ’s innovation and customer lifecycles**

- > **Make it easier for customers to access and use services by developing a new customer portal for digital eResearch infrastructure**
- > **Improve service quality and reliability for customers by implementing a new operating model**
- > **Strengthen awareness, engagement and participation across the sector by developing a refreshed communications and engagement strategy**
- > **Reduce environmental impact by developing the REANNZ environmental sustainability strategy**

## Performance indicators FY26/27

Since the integration of NeSI services into REANNZ, REANNZ has updated its performance measures for FY26/27 and beyond to reflect its changed mandate and operating model. Progress against FY/25/26 targets are listed in separate tables below.

Performance Indicator	Target 2026/27
<b>Reliable and seamless customer experience – operating model implementation</b>	New pricing and access model implemented in Q1 Phased delivery of Customer portal beginning Q1 Service design project - new service model designed and implemented by end of Q3
<b>Grow customer base</b>	Bring on 3 new customers/members to the REANNZ network Bring on 5 new Advanced Computing customers Communications and engagement strategy implemented by end of Q1
<b>Customer satisfaction</b>	Benchmark customer satisfaction survey completed by end of Q1 Design new quarterly survey to track customer satisfaction in Q2 Implement data and insights framework and quarterly customer satisfaction survey in Q3
<b>Future-proof the REANNZ network</b>	Quantum readiness roadmap completed by end of Q1 Enhanced DDOS mitigation in place on the network by end of Q2
<b>Service reliability</b>	National Network availability over time - 99.95% International Network availability over time – 99.95% Mahuika capacity availability >98% (excluding planned maintenance) Mahuika access availability >98% (excluding planned maintenance)
<b>Network reliability to support large data transfers</b>	Packet loss across the core network: < 0.0001%
<b>Network reliability to support real-time services</b>	<0.1% of hourly measurements across the core network have >20ms of packet delay variation
<b>Commitment to sustainability</b>	Develop REANNZ sustainability strategy by end of Q2

## Leverage the sector’s collective strength to increase impact

Widespread sector reform and funding challenges mean that acting collectively to increase impact for New Zealand is more critical than ever.

REANNZ is uniquely positioned to be a community builder, supporting greater uptake of digital eResearch, building a strong talent pipeline, and facilitating access to a wider range of tools, services, and infrastructures than any institution could access alone.

Supporting the sector to develop common tools and frameworks around common issues such as data storage, and coordinate and work together where it makes sense, will be important to drive efficiency and economies of scale.

REANNZ will support the research community to increase skills and uptake across all eResearch disciplines. It will consolidate sector needs to leverage, and coordinate investment in innovative tools and technology.

### Expected Outcomes

Year 1	Year 2-3	Year 4-5
<ul style="list-style-type: none"> <li>&gt; Building a more capable research workforce and increasing collaboration and knowledge sharing through a community building and training strategy</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Growing sector capability through scaling and expanding the training offering and building new communities of practice</li> </ul>	<ul style="list-style-type: none"> <li>&gt; A cohesive and capable sector enabled through connected communities of practice, common training, tools, and frameworks.</li> </ul>
<ul style="list-style-type: none"> <li>&gt; Improving the effective use and management of data through delivery of a data strategy</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Ensuring the sectors have strategic autonomy over key data sets</li> </ul>	<ul style="list-style-type: none"> <li>&gt; NZ sovereign data is protected while enabling open access to support national and international collaboration</li> </ul>
<ul style="list-style-type: none"> <li>&gt; Supporting sector delivery and reducing costs by defining sector needs for common tools and frameworks</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Supporting a capable and cohesive sector through common tools and frameworks based on sector need</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Sector is consistently able to leverage new tools and technology to accelerate research.</li> </ul>
<ul style="list-style-type: none"> <li>&gt; Increasing coordination and impact of investment through agreement on opportunities with the sector and Government</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Supporting access to new technologies and value for money through coordinated investment</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Increased pace and impact of research supported through access to cost effective technologies</li> </ul>

## FY2026/27 Initiatives

- > Strengthen sector capability and connection through a community building and training strategy
- > Improve the effective and secure use of data through a research data strategy
- > Strengthen measurement of REANNZ's research impact
- > Increase coordination and impact of investment by working with the sector and Government to identify opportunities
- > Identify shared needs and opportunities for impact through REANNZ-hosted sector events (APAN62, eResearch26 and the CEO Forum)

## Performance indicators

Indicator	Target 2026/27
<b>Increased uptake and sophistication of digital eResearch</b>	30 training events supported 10 new Carpentries Instructors trained
<b>Research workforce development - Stronger skills pipeline with a focus on skills mobility and new technologies</b>	1 new Carpentries Instructor Trainer certified Develop and implement community building and training strategy by end of Q2
<b>Research impact</b>	6 case studies demonstrating research impact Develop new research impact measures by Q4
<b>Work with the sector to ensure strategic autonomy over key sovereign data sets</b>	Deliver research data strategy by Q4
<b>Work with the sector and Government to identify opportunities for coordinated investment</b>	Investment Roadmap completed by Q2

## Infrastructure innovation hub

New technologies like AI are evolving rapidly and changing the way that research is done, which will change the way eResearch infrastructure is provided and supported.

Increasingly, REANNZ will provide a broader range of platforms and advanced technologies. It will provide access to tools and research environments for collaboration and experimentation; and support researchers and IT professionals to adopt and optimise new technologies.

In addition, REANNZ will continue to align itself closely with the initiatives funded out of the NZ Institute of Advanced Technology (NZIAT) to ensure our technology roadmap and capability building activity supports their ambitions.

REANNZ will continue to act as a fast follower in the international market; work with the sector to drive innovation and the adoption of new technologies; and connect the research and education sectors to the broader innovation sector for pre-commercial research.

### Expected Outcomes

FY2026/27	Year 2-3	Year 4-5
<ul style="list-style-type: none"> <li>&gt; Increasing access and choice by federating access to two new infrastructures</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Expanding access and capability through scaling and expanding infrastructure offerings</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Increased pace and impact of research supported by a technology roadmap and service catalogue evolving continuously to meet its needs.</li> </ul>
<ul style="list-style-type: none"> <li>&gt; Enabling collaboration and experimentation by launching initial collaboration platforms</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Enhancing collaboration by scaling up collaboration platforms</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Sector sharing knowledge and collaborating across a range of collaboration platforms</li> </ul>
<ul style="list-style-type: none"> <li>&gt; Aligning investment and delivery through implementation of the technology roadmap</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Accelerating innovation through scaling initiatives aligned to the technology roadmap</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Increased access and choice through access to regional, national and international infrastructure offerings</li> </ul>
<ul style="list-style-type: none"> <li>&gt; Supporting research and innovation through defining and launching a new consultancy offering</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Increasing support for research and innovation through scaling and expanding the consultancy offering</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Supporting increased research impact through the REANNZ consultancy model</li> </ul>
<ul style="list-style-type: none"> <li>&gt; Increased sector capability and cohesion through strengthened connections with the innovation sector</li> </ul>	<ul style="list-style-type: none"> <li>&gt; More REANNZ customers connected to the innovation sector as REANNZ customer base grows.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Innovative pre-commercial research is supported through strong connections to the innovation sector</li> </ul>

## FY2026/27 Initiatives

- > Support new and emerging technology by implementing sector-endorsed technology roadmap
- > Launch initial trusted research and federated learning environments to support collaboration and experimentation
- > Federate access to two new infrastructures to increase access and choice
- > Integrate REANNZ's proprietary platform Mahuika and new infrastructure offerings into the customer portal
- > Continue to work with sector and officials to secure funding to establish AI infrastructure at scale
- > Build relationships with the innovation sector to support pre-commercial research.

## Performance indicators

Indicator	Target 2026/27
<b>Implement sector endorsed tech roadmap</b>	Tech Roadmap endorsed by the sector by end of Q1 90% of Y1 initiatives delivered within agreed timeframes
<b>Increased collaboration and knowledge sharing</b>	Develop Trusted Research Environment roadmap by Q2. Launch end of Q4. Launch initial federated learning offering by end of Q2.
<b>Scale up consultancy</b>	Develop consultancy service offering by end of Q2
<b>Access to multiple federated infrastructures</b>	Integrate Mahuika, Cascade, AWS Braket (Quantum), and Pawsey into the customer portal by Q3. Increase GPU and CPU capacity in Mahuika by Q4.

## Building organisational capability

REANNZ's mission is to connect and empower researchers, innovators and educators to change the world. To do this, REANNZ needs the right capability in place to deliver its strategy and support better outcomes for the sector.

Effective leadership, and clear accountabilities and responsibilities, are critical to ensure success across an integrated organisation that has doubled in size over the past twelve months.

Change is underway to deliver on commitments given to the sector and ensure REANNZ is positioned to succeed.

### Expected Outcomes

FY2026/27	Year 2-3	Year 4-5
<ul style="list-style-type: none"> <li>&gt; Improving organisational effectiveness and service delivery through a new operating model</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Improving accountability and performance through clear roles, responsibilities and accountabilities</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Enabling innovation and outstanding service delivery through leadership, people and capability</li> </ul>
<ul style="list-style-type: none"> <li>&gt; Strengthening leadership and culture through delivery of a culture and leadership development programme</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Strengthening organisational alignment through clear direction and priorities set by the Senior Leadership Team</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Strengthening organisational cohesion through a strong collective sense of purpose</li> </ul>
<ul style="list-style-type: none"> <li>&gt; Building cultural capability through staff participation in at least one te ao Māori competency workshop</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Building a culturally capable workforce</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Supporting Māori research organisations through a culturally capable workforce</li> </ul>

### FY2026/27 Initiatives

- > **Implement a new operating model and organisational structure to support the delivery of the REANNZ strategy**
- > **Deliver the REANNZ culture and leadership development programme.**
- > **Continue professional development in te ao Māori to grow cultural capability**

### Performance indicators

Indicator	Target 2026/27
<b>Staff engagement</b>	Employee engagement >65%
<b>Professional development</b>	Implement culture and leadership development programme in Q1
<b>Professional development in te ao Māori</b>	Staff attend at least 1 te ao Māori competency workshop within six months of joining REANNZ

## Performance indicators FY2025/26

With year-end results still to be confirmed, REANNZ expects to achieve 22 (two partially achieved) of its 24 performance indicators.

### Looking to the future

Performance Indicator	Target 2025/26	Expected 2025/26
<b>A future-focused strategy is co-designed with the sector, in place for FY 2026/27</b>	MBIE endorsement of sector strategy	Achieved
<b>An operating model for REANNZ is designed for FY2026/27, by the end of February 2026</b>	MBIE endorsement of operating model	Achieved
<b>An operating model for REANNZ has been implemented prior to the start of FY2026/27</b>	MBIE endorsement of implementation	Achieved
<b>A membership model and supporting pricing model are in place for FY2026/27</b>	Finalised membership model provides appropriate sector funding support	Achieved

### People and culture

Performance Indicator	Target 2025/26	Expected 2025/26
<b>Professional development in te ao Māori</b>	>85% of staff attend at least one te ao Māori competency training workshop	Achieved

### Building our global connections

Performance Indicator	Target 2025/26	Expected 2025/26
<b>Fast follower of global expertise</b>	Product roadmap contains >50% of products already proven overseas	Achieved 100% of products in roadmap proven overseas
<b>Enabler of cost efficiencies</b>	Maintain NREN relationships to ensure REANNZ continues to access the following international network capability at no cost: <ul style="list-style-type: none"> <li>&gt; PoPs at Guam and Hawaii</li> <li>&gt; Capacity on Guam-Hawaii link</li> <li>&gt; Capacity on the Internet2 backbone to Europe</li> <li>&gt; Transit to AWS compute in the US</li> <li>&gt; Leverage APONET relationships for backup network paths</li> <li>&gt; Backup network capacity via AARNET live</li> </ul>	Partial achievement AARNET cannot offer Guam-Sydney capacity due to legal complications. All other services listed are live

Performance Indicator	Target 2025/26	Expected 2025/26
<b>Enhance NREN and sector relationships for the purpose of information and technical exchange</b>	Six technical presentations at both regional and international conferences	Achieved 19 presentations delivered to date

## Connecting New Zealand/Aotearoa

Performance Indicator	Target 2025/26	Expected 2025/26
<b>Facilitate universal connectivity and digital equity</b>	Govroam pilot live for one Government entity Increase REANNZ membership by 10% (additional three members) Increase eduroam sites by 10% through additional service provider site deployment (additional 40 sites)	Partial achievement Broader Government decision pending on Govroam Membership on track eduroam exceeded
<b>Strengthen relationships with iwi and Māori research sector</b>	Meetings with a further three Māori-led research and education programmes to support connectivity, mobility, and identity management solutions	Achieved
<b>Solutions launched to enable researchers to connect wherever they are</b>	Onboard two additional WISPs based on earlier successful deployment Support deployment of Lower Earth Orbit Satellite (LEOSat) services e.g. Starlink, at two member organisations (via One or 2degrees)	Partial achievement WISP target on track LEOSat – potential to miss.
<b>Future-proof the REANNZ network</b>	National network strategic review: > Replacement of international back-up capacity implemented > Member edge rollout complete	Achieved
<b>Network reliability to support real-time services</b>	Packet delay variation < 0.1% of hourly measurements across the core network have > 20ms of packet delay variation	Achieved
<b>Network reliability to support large data transfers</b>	Packet loss across the core network < 0.0001%	Achieved
<b>Commitment to sustainability</b>	Continue to track and report on energy consumption across the national network	Achieved

## Making it easy

Performance Indicator	Target 2025/26	Expected 2025/26
<b>Valued by members as defined in the customer satisfaction survey</b>	REANNZ network deemed 'valuable and essential' by 80% of respondents	Survey due June
<b>Responsiveness to members as defined in the customer satisfaction survey</b>	Issue resolution deemed to be 'in a timely manner' by > 80% of respondents	Survey due June
<b>Member-led strategy</b>	Terms of reference signed with the community to coordinate procurement of common capability as determined by the sector	Achieved RFI for AI Infrastructure Platform released December 2025
<b>Better connected members</b>	>25% uptake rate (average product penetration by segment) of non-network products <sup>1</sup> by members.  Note: there are different product sets by segments  +25% increase in authentication of unique eduroam devices (measures activity outside of home institution)	Achieved
<b>Cross-sector interoperability</b>	Increase active Tuakiri service provider footprint by 10% (four additional service providers)	Achieved
<b>Continuity of service</b>	National network availability over time 99.95%  International network availability 99.95%  >98% of total HPC capacity available for usage over time  >98% of total HPC services available for usage over time	Partial achievement Network availability achieved HPC capacity will be missed due to issues with equipment migration from Wellington to Auckland
<b>Increase HPC capacity available for the New Zealand research sector</b>	Cascade is available for REANNZ members by 30 June 2026  Build the business case to invest in Mahuika (subject to sector demand) by 30 June 2026	Achieved
<b>Developing digital research capability</b>	20 facilitated training programmes	Achieved
<b>Delivering research impacts</b>	Five published case studies	Achieved

<sup>1</sup> Non-network products are defined as products not related to network connectivity. The list of products and product definitions are maintained in the REANNZ product roadmap.

# PROSPECTIVE FINANCIAL STATEMENTS /

Research and Education Advanced Network New Zealand Limited

## Budget Update Statement of Comprehensive Revenue and Expense for the Year Ending 30 June 2027

Forecast 2026 \$ 000		Budget 2027 \$ 000
	<b>Revenue</b>	
13,930	Grant Revenue	13,930
7,249	Network Membership Revenue	6,735
3,110	Network Service Revenue	3,110
3,436	ACDS Collaboration Revenue	3,436
783	ACDS Subscription and Infrastructure Revenue	744
42	Other Revenue	-
<b>28,550</b>	<b>Total Revenue</b>	<b>27,955</b>
	<b>Direct Expenses</b>	
	<b>Network Expenses</b>	
8,602	Operating Expense	8,629
3,066	Employment Expense	2,825
541	Depreciation and Amortisation Expense	610
<b>12,209</b>	<b>Total Network Expenses</b>	<b>12,064</b>
	<b>Advanced Computing and Data Services Expenses</b>	
2,171	Operating Expense	2,243
3,162	Employment Expense	3,349
630	Depreciation and Amortisation Expense	739
<b>5,963</b>	<b>Advanced Computing and Data Services Expenses</b>	<b>6,331</b>
<b>18,172</b>	<b>Total Direct Expenses</b>	<b>18,395</b>
<b>10,378</b>	<b>Gross Surplus / (Loss)</b>	<b>9,560</b>
	<b>Indirect Expenses</b>	
6,002	Operating Expense	5,415
4,016	Employment Expense	4,501
178	Depreciation and Amortisation Expense	238
<b>10,196</b>	<b>Total Indirect Expenses</b>	<b>10,154</b>
<b>182</b>	<b>Operating Surplus / (Deficit)</b>	<b>(594)</b>
	<b>Other Gains and Losses</b>	
-	Foreign Currency Gain/(Loss)	-
-	Asset Impairment (Loss)	-
-	<b>Total Other Gains and Losses</b>	-
<b>182</b>	<b>Earnings Before Interest</b>	<b>(593)</b>
1,162	Interest Revenue	1,000
<b>1,344</b>	<b>Net Surplus / (Deficit)</b>	<b>406</b>
<b>1,344</b>	<b>Total Comprehensive Revenue and Expense</b>	<b>406</b>

Research and Education Advanced Network New Zealand Limited

**Prospective Statement of Financial Position  
As at 30 June**

Forecast 2026 \$ 000		Budget 2027 \$ 000
	<b>Current Assets</b>	
3,810	Cash and Cash Equivalents	4,478
29,161	Short Term Deposits	27,162
2,434	Receivables	2,574
2,674	Prepayments	2,922
-	Derivative Financial Instruments	-
<b>38,079</b>	<b>Total Current Assets</b>	<b>37,136</b>
	<b>Non-Current Assets</b>	
15,962	Prepayments	15,962
4,395	Property, Plant, Equipment, and Intangibles	5,785
-	Derivative Financial Instruments	-
<b>20,357</b>	<b>Total Non-Current Assets</b>	<b>21,747</b>
<b>58,436</b>	<b>Total Assets</b>	<b>58,883</b>
	<b>Current Liabilities</b>	
924	Accounts Payable and Accrued Expenses	1,074
162	GST Payable	156
309	Employee Entitlements	361
1,839	Revenue in Advance	1,779
95	Derivative Financial Instruments	-
<b>3,328</b>	<b>Total Current Liabilities</b>	<b>3,369</b>
	<b>Non-Current Liabilities</b>	
-	Derivative Financial Instruments	-
<b>-</b>	<b>Total Non-Current Liabilities</b>	<b>-</b>
<b>3,328</b>	<b>Total Liabilities</b>	<b>3,369</b>
<b>55,108</b>	<b>Net Assets</b>	<b>55,515</b>
	<b>Equity</b>	
16,001	Share Capital	16,001
4,600	Capital Contribution	4,600
34,507	Accumulated Surplus	34,914
<b>55,108</b>	<b>Total Equity</b>	<b>55,515</b>

Research and Education Advanced Network New Zealand Limited

**Prospective Statement of Cash Flows  
for the Year ending 30 June**

Forecast 2026 \$ 000		Budget 2027 \$ 000
	<b>Cash Flows from Operating Activities</b>	
13,930	Grant Revenue	13,930
14,393	Sector Revenue	13,825
42	Other Revenue	-
(7)	Net GST	(6)
(22,232)	Payments to Suppliers and Employees	(22,075)
(5,485)	Prepayments to Suppliers	(5,028)
-	Realised Gain / (Loss) on Foreign Currency	-
<b>641</b>	<b>Net Cash Flow from Operating Activities</b>	<b>647</b>
	<b>Cash Flows from Investing Activities</b>	
-	Receipts from Sale of Property, Plant, Equipment, and Intangibles	-
(2,635)	Purchase of Property, Plant, Equipment, and Intangibles	(2,977)
(5,000)	Term Deposit Investments	2,000
1,049	Interest Revenue	999
<b>(6,586)</b>	<b>Net Cash Flow from Investing Activities</b>	<b>21</b>
<b>(5,945)</b>	<b>Net Increase / (Decrease) in Cash Held</b>	<b>668</b>
9,755	Cash at the Beginning of the Year	3,810
<b>3,810</b>	<b>Cash at the End of the Year</b>	<b>4,478</b>

# Nature and purpose of prospective financial statements

The Prospective Financial Statements have been prepared to the best of our knowledge and belief as an indication of REANNZ's future financial performance. Actual financial results achieved for the period covered may vary from the information presented, and potentially in a material manner.

The purpose of the Prospective Financial Statements is to inform readers of this Statement of Performance Expectations of REANNZ's best estimate of its future financial performance at the date of publication, and to comply with the company's specific reporting and disclosure obligations. The statements may not be suitable for other purposes.

## Notes to the Prospective Financial Statements

### Significant Assumptions

The following assumptions have been made in the preparation of the prospective financial statements:

- > Transactions paid for in United States dollars (USD) have been converted to New Zealand dollars at a rate of 0.5889 USD to 1 NZD.
- > Transactions paid for in Australian dollars (AUD) have been converted to New Zealand dollars at a rate of 0.8495 AUD to 1 NZD.
- > The short-term deposit rate is 3.55% per annum.

### Reporting Entity

The reporting entity is Research and Education Advanced Network New Zealand Limited ('REANNZ'), a Crown entity as defined by the Crown Entities Act 2004 and a New Zealand incorporated company. As a Crown entity, REANNZ's ultimate parent is the New Zealand Crown.

REANNZ primary objective is to establish, own and operate a high-speed communications network for the research and education sector. As such, REANNZ's aim is to provide services to the public, rather than make a financial return.

Accordingly, REANNZ has designated itself as a Public Benefit Entity ('PBE') for the purposes of PBE accounting standards with reduced disclosures.

### Basis for preparation

#### Statement of compliance

The Prospective Financial Statements have been prepared in accordance with the Crown Entities Act 2004, and with generally accepted accounting practice in New Zealand (NZ GAAP).

These Prospective Financial Statements comply with PBE accounting standards, which include PBE FRS 42 Prospective Financial Statements.

These Prospective Financial Statements have been prepared in accordance with Tier 2 PBE accounting standards with reduced disclosures. REANNZ is eligible to report as a Tier 2 reporting entity on the basis that it does not have public accountability and is not large.

### Presentation currency and rounding

The Prospective Financial Statements are presented in New Zealand dollars, rounded to the nearest thousand (\$000). The functional currency of REANNZ is New Zealand dollars.

### Significant accounting policies

Accounting policies are selected and applied in a manner that ensures that the resulting financial information satisfies the concepts of relevance and reliability. REANNZ accounting policies, therefore, are designed to report the substance of the underlying transactions undertaken by the entity.

The following significant accounting policies have been adopted in the preparation and presentation of the Prospective Financial Statements.

### Goods and services tax (GST)

These Prospective Financial Statements are prepared on a GST-exclusive basis except for accounts receivable and accounts payable, which include GST.

The net GST paid to, or received from, Inland Revenue, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Prospective Statement of Cash Flows.

## Foreign currency transactions

Transactions in foreign currencies, including those for which forward foreign exchange contracts are held, are translated to New Zealand dollars (the functional currency) at the spot rate on the date of transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Prospective Statement of Comprehensive Revenue and Expense.

## Income tax

As a public entity under Section CW 38(2) of the Income Tax Act 2007, the company is exempt from income tax. Accordingly, no provision has been made for income tax.

## Statement of Cash Flows

The Prospective Statement of Cash Flows is prepared exclusive of GST, which is consistent with the method used in the Statement of Comprehensive Revenue and Expense.

Definitions of the terms used in the Prospective Statement of Cash Flows are:

*'Cash'* includes coins and notes, demand deposits and other highly liquid investments readily convertible into cash used by REANNZ as part of its day-to-day cash management.

*'Operating activities'* include all transactions and other events that are not investing or financing activities.

*'Investing activities'* are those activities relating to the acquisition and disposal of long-term assets and other investments not included in cash equivalents.

*'Financing activities'* are those activities relating to changes in equity.

## Revenue

The specific accounting policies for significant revenue items are explained below.

### Grant revenue

REANNZ is funded in part by the Crown from the Strategic Science Investment Fund (SSIF). The SSIF operational grant is provided to partially fund the delivery of specialist services and activities to meet the Government's goals for research and education. REANNZ delivers an agreed work plan and the grant is recognised as revenue when paid because there are no other conditions attached.

Additional SSIF Capital for Infrastructure funding was provided for technical investment in the REANNZ network.

### Sector and other revenue

Revenue is measured at the fair value of the consideration received or receivable. All transactions are exchange transactions.

### Receivables

Accounts receivable are recorded at the amount due less an allowance for credit losses. REANNZ applies the simplified credit loss model of recognising lifetime expected credit losses for receivables.

In measuring expected credit losses, receivables have been assessed on an individual basis.

Receivables are expensed in the Prospective Statement of Comprehensive Revenue and Expense when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

### Investments

#### Term deposits

Investments in bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

### Derivative financial instruments

REANNZ enters into derivative financial instruments, including forward foreign exchange contracts, as part of its normal operations to manage its exposure to foreign exchange rate risk. REANNZ does not hold or issue derivatives for trading purposes. REANNZ has not adopted hedge accounting.

Derivatives are initially recognised at the fair value on the date a derivative contract is entered into and are subsequently revalued to their fair value at each balance date, with the resulting gain or loss recognised in the Prospective Statement of Comprehensive Revenue and Expense.

A forward foreign exchange derivative is classified as current if the contract is due for settlement within 12 months of balance date. Otherwise the full fair value of forward foreign exchange derivatives are classified as non-current.

Derivative financial instruments are recognised at their fair value in the Prospective Statement of Financial Position.

## Property, plant and equipment

Property, Plant, and Equipment consist of seven classes, which are measured, at cost less accumulated depreciation and impairment losses:

1. Leasehold Improvements
2. Information Technology Equipment
3. Office Equipment
4. National PoP Equipment
5. International PoP Equipment
6. Fibre and Fibre Housing
7. High Performance Computing Platform

### Additions

The cost of an item of property, plant and equipment, are only recognised as an asset when it is probable that future economic benefits or service potential associated with the item will flow to REANNZ and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is initially recognised at cost. Where an asset is acquired through a non-exchange transaction, the asset will be recorded at fair value at the date of acquisition.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to REANNZ and the cost of the item can be measured reliably.

Where assets are purchased outright they are recognised once control is obtained and available for use.

Where assets are yet to be installed, relevant costs are initially captured in capital Equipment not in use and then transferred to fixed assets once the asset is available for use.

### Disposals

Gains and losses on disposals are determined by comparing the proceeds of disposal with the carrying amount of the asset. Gains and losses on disposal are included in the Prospective Statement of Comprehensive Revenue and Expense.

### Depreciation

Depreciation on property, plant and equipment is calculated on a straight-line basis, from the time the asset is in the location and condition necessary for its intended use. This basis allocates the cost or value of the asset, less its residual value, over its estimated useful life.

The depreciation method, estimated useful lives and residual values of property, plant and equipment are reviewed annually to assess appropriateness.

The following estimated useful lives are used in the calculation of depreciation:

Leasehold Improvements	3-5 Years
Information Technology Equipment	3 Years
Office Equipment	5 Years
National Pop Equipment	3-8 Years
International Pop Equipment	5-7 Years
Fibre and Fibre Housing	20 Years
High Performance Computing Platform	3-5 Years

## Impairment of property, plant and equipment

### Cash generating assets

REANNZ does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

### Non-cash generating assets

At each reporting date, assets are reviewed by the Directors to determine whether there are any events or changes in circumstances that indicate that carrying amounts may not be recoverable.

An impairment loss is recognised as the amount by which the asset's carrying amount exceeds its estimated recoverable service amount. The recoverable service amount is the higher of an asset's fair value, less costs to sell and value in use.

Value in use is the present value of an asset's remaining service potential. It is determined using an approach based on either depreciated replacement cost, restoration cost, or service units. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. The impairment loss is then recognised as an expense in the Prospective Statement of Comprehensive Revenue and Expense.

Any reversal of an impairment loss is recognised in the Prospective Statement of Comprehensive Revenue and Expense. Impairment losses can only be reversed to the extent that the carrying amount of the asset matches

the carrying amount as calculated under the cost less accumulated depreciation method.

To the extent that an impairment loss for a revalued asset was previously recognised in the Prospective Statement of Comprehensive Revenue and Expense, a reversal of impairment loss is also recognised in the Prospective Statement of Comprehensive Revenue and Expense.

For items of property, plant and equipment that are not carried at a revalued amount, the total impairment loss is recognised in the Prospective Statement of Comprehensive Revenue and Expense, a reversal of impairment loss is also recognised in the Prospective Statement of Comprehensive Revenue and Expense.

### *Intangible assets*

Intangible assets are identifiable non-monetary asset without physical substance. When recognising and initially measuring these assets, REANNZ has established that they are identifiable, under its control, and likely to generate future economic benefits. These assets are initially recorded at cost.

REANNZ has intangible assets which have a finite useful life and intangible assets which have indefinite useful life. An indefinite intangible asset refers to a valuable non-physical asset that has no foreseeable limit to its useful life.

### *Amortisation*

The carrying value of an intangible asset with a finite useful life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use.

The following estimated useful life are used in the calculation of amortisation:

Software Licenses	5 years
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Intangible assets that have an indefinite useful life are not subject to amortisation.

### *Impairment of intangible assets*

If there are any impairment indicators as detailed in the note on the Impairment of property, plant and equipment, then the impairment loss will be recognised in the Prospective Statement of Comprehensive Revenue and Expense.

For indefinite useful life intangible assets, an impairment test has to be done annually. At year end, the carrying value of an indefinite intangible asset will be assessed and any market adjustment will be recognised in the Prospective Statement of Comprehensive Revenue and Expense.

## Payables

Short-term payables are recorded at the amount payable.

## Employee entitlements

Employee benefits due to be settled within 12 months after the end of the year in which the employee provides the related service are measured based on the accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and annual leave earned but not yet taken at balance date.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation, and a reliable estimate of the obligation can be made.

## Commitments and contingencies

A schedule of commitments and contingencies is not separately disclosed in these Prospective Financial Statements.

## Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Where the leased items are not in use, the operating lease payments will be treated as a prepayment in the Prospective Statement of Financial Position. Once the items begin to be used in deriving revenue, these prepayments are released to the Prospective Statement of Comprehensive Revenue and Expense on a straight-line basis over the period of the remaining operating lease term.



REANNZ