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New Zealand Institute for Advanced Technology

Statement of Performance Expectations

Te Tauākī o Ngā Tūmanakohanga Whakatutuki

2026/27

New Zealand Institute for Advanced Technology | Statement of Performance 2026/2027 | presented to the House of Representatives pursuant to section 149E of the Crown Entities Act 2004

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Foreword
Kupu whakataki

This Statement of Performance Expectations (SPE) is the second SPE for the newly established New Zealand Institute for Advanced Technology Limited (NZIAT). This document outlines NZIAT's role, mission, vision and activities planned for its first full year of operation.

NZIAT's purpose is to drive economic transformation and better lives for New Zealanders through advanced technology. NZIAT will operate as an active, mission-led portfolio investor, deploying a range of investment mechanisms — including, where appropriate, stakes in ventures — to build a strong pipeline of advanced technologies from research through to commercial impact. Whilst we will continue to work on establishing firm foundations, our focus will shift to delivering advanced technology investments. NZIAT deploys funding through a portfolio investment model, which includes:

- nationally significant platforms, and
- other investment mechanisms and programmes aligned to the appropriation scope.

Specifically, NZIAT will receive its full allocation of Crown funding and progress establishing the Artificial Intelligence investment platform. In addition, during 2026/27 we will take up responsibility for the Paihau-Robinson's Research Institute platform established by the Minister of Science, Innovation and Technology and funded by the Ministry of Business, Innovation and Employment (MBIE).

In 2026/27, NZIAT will become responsible ffor two programmes transferred from Callaghan Innovation to NZIAT - the Health Technology Activator (HTA) and the New Zealand Product Accelerator (NZPA). NZIAT will work with MBIE during 2026/27 on the future transition arrangements for the Technology Incubator Programme (TIP)

We have made some assumptions for our first year, as we are in the process of developing NZIAT's first Statement of Intent 2026 – 2030 (SOI), which will outline our strategic intentions over a four-year period. Our portfolio investment strategy will set up advanced technology investments to be the catalyst that contributes to reshaping New Zealand's future economy.

For this SPE, as with that for the 2025/26 year, we are primarily informed by Cabinet decisions on the creation of NZIAT in the context of the science system reform, the scope of each category in the NZIAT multi-category appropriation which currently provides all NZIAT revenue, and the Letter of Expectations from Shareholding Ministers – the Minister of Finance, and the Minister of Science, Innovation and Technology (SI&T).

Stephen O'Connor
Establishment Chair

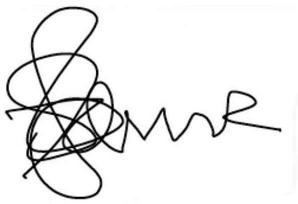
29 June 2026

Statement of responsibility
Te tauāki noho haepapa

This Statement of Performance Expectations reflects our proposed performance targets and forecast financial information for the period 1 July 2026 to 30 June 2027. It is produced in accordance with the requirements of section 149E of the Crown Entities Act 2004. It reflects our proposed activities, performance targets and forecast financial information for the year ending 30 June 2027 and should be read in conjunction with NZIAT's four-year Statement of Intent (2026-30), which will be completed by 12 January 2027.

The forecast financial statements and underlying assumptions in this document have been authorised as appropriate for issue by the Board of NZIAT in accordance with its role under the Crown Entities Act 2004.

The Board acknowledges responsibility for the information and prospective financial statements contained in this Statement of Performance Expectations.



Stephen O'Connor
Establishment Chair

29 June 2026

Our role

Ko wai mā mātou

NZIAT is a Crown-owned company that drives economic transformation and better lives for New Zealanders through advanced technology.

NZIAT's shareholding Ministers are the Minister of Finance and the Minister of Science, Innovation and Technology (Minister of SI&T), who is the Responsible Minister. It is led by the NZIAT Board appointed by Cabinet. The Ministry of Business, Innovation and Employment (MBIE) is both the policy and monitoring lead agency for NZIAT.

NZIAT contributes to the Science, Innovation and Technology (SI&T) pillar of the Government's Going for Growth strategy.

NZIAT focuses on accelerating economic growth through cutting-edge advanced technology, science, and innovation that unlock new economic opportunities across sectors such as health, energy, transport, and the space industry.

NZIAT is intended to become a Public Research Organisation (PRO), following the enactment of the Research, Science, Innovation and Technology Bill. Its function differs from other future PROs in that it invests in other people and organisations to undertake its research priorities.

NZIAT will operate as a mission-led public investor, deploying capital to catalyse long-term economic and societal outcomes for New Zealand rather than acting as a passive funder. Its portfolio investment strategy will be anchored in nationally significant platform investments, nestled within a portfolio approach of other investment approaches to retain flexibility.

This will enable NZIAT to pursue other high-potential opportunities where this advances its mission.

Our Strategic Framework

Tō mātou anga rautaki

Our strategic framework currently consists of our vision, purpose, mission, ambition and functional priorities and performance framework for this financial year (see the Performance Framework, page 19).

We will be developing this initial framework for the Statement of Intent, which will provide NZIAT's 4-year strategic direction.

NZIAT received an extension for up to six months from NZIAT's legal establishment date (its incorporation on 12 January 2026) to provide the Minister of SI&T with its draft Statement of Intent.

We anticipate completing a Statement of Intent for 2026 – 2030 by 12 January 2027.

We have received and responded to a Letter of Expectations for the 2026/27 financial year from the shareholding Ministers. We acknowledge that we will:

- align to the new Government Science Priorities to ensure national coherence and to drive system-wide outcomes for New Zealand; and
- demonstrate adaptability in our research portfolio, to ensure continued relevance to both sector stakeholders and emerging technology areas.

In responding to the shareholding Ministers' Letter of Expectations, the Board has emphasised NZIAT's role as an active, mission-led investor, the importance of building investment models that extend beyond platforms, and the need to focus early effort on strategic outcomes.

Our Functions: What we do

Ā mātou mahi

As our strategic framework is still in development, for this year, we focus on our three core functions. Our functions guide the direction of the organisation. The following functions are central to NZIAT's objective to undertake research on advanced technology priorities that support economic growth and positions New Zealand to build long-term capability and competitiveness in the global innovation system:

Active Investment	We invest in world leading applied research that generates highly valuable new knowledge in advanced technology domains and enable the sector to innovate, develop new solutions and build global competitiveness.
Trusted Intelligence	We systematically gather, analyse, and apply data, insights, and evidence to inform decision-making, guide portfolio investment, and enhance organisational and sector performance.
Catalyst	We align science and technology efforts with national priorities, strengthening the sector, transforming the capabilities of and opportunities for researchers, industry, entrepreneurs, and investors.

Our Priorities

Ā mātou aronga matua

During the 2026/27 financial year, NZIAT's strategic priorities reflect its transition from establishment to full operation as an independent Public Research Organisation (on the passing of legislation), and its role within a reformed science, innovation and technology system. These priorities are focused on building clarity, confidence and capability across the system, while beginning to deliver tangible economic impact through advanced technology portfolio investment.

During the 2026/27 financial year, NZIAT will receive its full funding across all four Output Classes – operations, enabling industry innovation and research and development, research platforms, and capital injection.

Deliver advanced technology portfolio investments with discipline and pace

A key priority for 2026/27 is the disciplined implementation of NZIAT's portfolio investment approach, which includes utilising funding from Output Classes 2 and 3 (see Table 1, page 13) for:

- nationally significant platforms, and
- other investment mechanisms and programmes aligned to the appropriation scope.

Key areas of focus include:

1. progressing nationally significant advanced technology research platforms, including Artificial Intelligence and Future Magnetic and Materials Technologies:
    - Following NZIAT's decision on the Phase 2 contest for the AI platform investment, NZIAT will either be in negotiations and establishment with preferred platform provider/s or will be engaging with MBIE and the Minister of Science, Innovation and Technology on next steps.

   - We will work with MBIE and the platform host, Paihau – Robinson Research Institute (RRI), based at Te Herenga Waka /Victoria University of Wellington, to transition the contract for Future Magnetic and Materials Technologies research platform from MBIE to NZIAT.

2. completing discovery and advisory work on future platform opportunities, informed by expert advice and national priorities:
   - NZIAT will complete the discovery of national quantum technologies (QT) research platform opportunities (focusing on domestic QT capabilities and international opportunities for commercialisation) in early 2026/27. NZIAT will then advise the Minister for SI&T whether and how further New Zealand investment could support cutting-edge research and commercial opportunities. Subject to Government confirmation, if NZIAT finds sufficient readiness for investment in a QT platform, NZIAT will then develop and implement its investment approach.

3. responsibility for two significant industry-facing programmes transferring to NZIAT from Callaghan Innovation – the Health Technology Activator (HTA), and the New Zealand Product Accelerator (NZPA). These programmes provide funding for innovation services to businesses related to the provision of research and technical expertise and access to facilities.

4. applying stage-gated decision-making, robust due diligence and portfolio management to balance pace, risk and long-term impact. This includes designing and delivering a NZIAT portfolio investment approach and applying active performance management throughout our contracting and investment mechanisms. This priority reflects NZIAT's role as an active, mission-led public investor focused on building capability and accelerating outcomes, rather than solely administering funding.

NZIAT will work with MBIE during 2026/27 on future transition arrangements for the Technology Incubator Programme (TIP). This programme is not included in NZIAT's responsibilities or funding for 2026/27.

Build confidence in advanced technology's economic role and impact

NZIAT has been established to address long-standing structural challenges in New Zealand's economy, including weak productivity growth, limited numbers of frontier firms, and under-investment in advanced technologies. NZIAT will work with MBIE and PMSITAC to inform and maintain a shared, regularly reviewed list of New Zealand's critical technologies. NZIAT will also work with Research Funding New Zealand to provide evidence on areas for advanced technology investment.

In 2026/27, NZIAT will utilise operational funding from Output Class 1 (see Table 1, page 13) to:

- explicitly link advanced technology investment to economic outcomes, including productivity, high-value jobs and globally competitive firms
- demonstrate disciplined stewardship of public funding through a mission-led, portfolio investment approach
- build the evidence on how NZIAT's portfolio investment strategy (including platforms and programmes) contributes to long-term economic transformation.

This priority reflects the importance of building confidence among government, the sector and the public that advanced technology investment delivers real, long-term value for New Zealand.

Enable effective collaboration to reduce complexity across the system

NZIAT will prioritise partnerships with researchers, end users and co-investment with the private sector to accelerate commercialisation, entrepreneurship and real-world adoption of advanced technologies.

NZIAT's effectiveness depends on strong collaboration between research organisations, industry, investors, Māori organisations, government and international partners. This includes cultivating international partnerships that strengthen research capability, attract investment, support commercial scale-up, and contribute to New Zealand's advanced technology capability and economic objectives.

In 2026/27, NZIAT will utilise operational funding from Output Class 1 (see Table 1, page 13) to:
establish a structured approach to identifying, developing, and sustaining priority relationships across the system.

- build mechanisms for stakeholder relationship management, ensuring NZIAT's activities are visible, coordinated, and impactful.

- transform the capabilities of researchers, industry, entrepreneurs, commercialisation experts and investors through nationally significant advanced technology opportunities
- reduce fragmentation and duplication by coordinating investment, intelligence and engagement across the system
- support clear, navigable pathways from research capability to commercial application.

Establish clarity and legitimacy in a changing science system

A core priority for NZIAT in 2026/27 is to clearly establish its role, mandate and value within New Zealand's reformed science system. NZIAT will utilise operational funding from Output class 1 (see Table 1, page 13) to:

- clearly articulate what NZIAT does and does not do, and how it complements existing organisations
- demonstrate strong governance, transparency and accountability as a steward of public investment
- maintain a proportionate, risk-based approach to research security, including partner due diligence and IP protection
- provide clear points of engagement for researchers, firms, investors, firms, entrepreneurs and others to partner with NZIAT.

This priority recognises that clarity and legitimacy are essential foundations for effective collaboration, stakeholder confidence and long-term impact.

Support effective establishment, transition and organisational capability

As NZIAT transitions fully into operation, a continued priority in 2026/27 is to ensure the organisation is well-positioned to deliver early value while laying strong foundations for future leadership, scale and impact. NZIAT will utilise operational funding from Output Class 1 (see Table 1, page 13) to:

- take responsibility for programmes from MBIE and Callaghan Innovation
- build organisational capability, systems and processes that support effective investment, intelligence and engagement
- manage expectations about NZIAT's pace of development while maintaining momentum and credibility.

Financial sustainability

Te toitūtanga pūtea

This section outlines NZIAT's approach to financial sustainability from 1 July 2026 to 30 June 2027.

NZIAT Multi-Category Appropriation

NZIAT's Funding (Revenue) comes from a non-departmental Multi-Category Appropriation (MCA) "Science, Innovation and Technology: New Zealand Institute for Advanced Technology Limited" established in Vote Business, Science and Innovation.

The single overarching purpose of the NZIAT appropriation is to undertake research on advanced technology priorities and provide innovation and science services. This appropriation is intended to achieve an increase in the creation, application, and commercial uptake of advanced technologies that contribute to New Zealand's economic growth.

NZIAT has four reportable classes of output, funded through Vote: Business, Science aout in Table 1, NZIAT has four reportable classes of output funded through Vote: Business, Science and Innovation.

Table 1: Scope of funding for NZIAT as per the MCA

Title	Type	Scope
1. Advanced Technology Operations	Non-Departmental Output Expense	This category is limited to operational funding to support the administration and provision of advice, research, science and innovation funding mechanisms and services.
2. Enabling Industry Innovation and Research and Development	Non-Departmental Output Expense	This category is limited to funding for innovation services to businesses related to the provision of research and technical expertise, grants and access to facilities.
3. Advanced Technology Research Platforms	Non-Departmental Output Expense	This category is limited to funding for advanced technology research platforms, and related commercial arrangements.
4. Advanced Technology Capital Injection	Non-Departmental Capital Expense	This category is limited to capital expenditure to invest in the New Zealand Institute for Advanced Technology Limited.

The Output Class funding NZIAT receives 2026/27

NZIAT received Government funding to deliver across all its Output Classes from 1 July 2026 via a Funding Agreement with MBIE (see Table 2).

Income from other sources is not anticipated in the 2026/2027 financial year. At this stage of its development, NZIAT is not likely to identify independent revenue streams other than interest income, nor rely on financial returns to fund its operations. Any investment returns are treated as secondary, contingent, and re-investable within the portfolio, subject to appropriation constraints. In future NZIAT may receive other funding, including Government funding from other sources, public funding and revenue from commercial activities.

NZIAT is a Crown-funded, mission-led investor that seeks to leverage and catalyse additional public and private investment alongside Government funding. It will require the recipients of its investment to source other forms of investments.

NZIAT has four reportable classes of output, funded through Vote: Business, Science and Innovation, as set out in Table 2.

Table 2: Funding and forecasted expenses (Multi-Category Appropriation)

OUTPUT CLASSES	Budget 2026/27 $ million
1. Advanced Technology Operations	12.003
2. Enabling Industry Innovation and Research and Development	3.800
3. Advanced Technology Research Platforms	10.000
Total Revenue	**25.803**
Expenses (Net of Other Revenue)	(25.803)
Net Surplus (deficit)	0
4. Advanced Technology Capital Injection	-

Forecasted Financial Performance

NZIAT anticipates its expenditure against its revenue for 2025/26 as follows:

Cost and funding (Multi-Category Appropriation)

	26/27 SPE
	($000)
Revenue	
Crown Revenue - Appropriation	25.803
Revenue - Other	317
Total Revenue	**26.120**
Expenses	26.120
Net surplus (deficit)	**0**

Forecast expenditure reflects staged, prudent investment pending finalisation of NZIAT's investment strategy, within appropriation settings.

All forecast 2025/26 underspend will be carried forward into 2026/27 to support delivery of NZIAT's investment strategy.

The funding in this appropriation is separated into four categories

Category 1 - Advanced Technology Operations

This category is limited to operational funding to support the administration and provision of advice, research, science and innovation funding mechanisms and services

	26/27 SPE ($000)
Revenue	
Crown Revenue - Appropriation	12.003
Crown Revenue - Other	317
Total Revenue	**12.320**
Expenses	12.320
Net surplus (deficit)	**0**

Category 2 - Enabling Industry Innovation & Research Development

This category is limited to funding for innovation services to businesses related to the provision of research and technical expertise, grants and access to facilities.

	26/27 SPE ($000)
Revenue	
Crown Revenue - Appropriation	3.800
Total Revenue	**3.800**
Expenses	3.800
Net surplus (deficit)	**0**

Category 3- Advanced Technology Research Platforms

This category is limited for funding for advanced technology research platforms, and related commercial arrangements.

	26/27 SPE ($000)
Revenue	
Crown Revenue - Appropriation	10.000
Total Revenue	**10.000**
Expenses	10.000
Net surplus (deficit)	**0**

Category 4- Advanced Technology Capital Injection

This category is limited to operational funding to support the administration and provision of advice, research, science and innovation funding mechanisms and services.

This category is limited to capital expenditure to invest in the New Zealand Institute for Advanced technology Limited (there is no Capital injection in 26/27).
There are no cost and funding appropriated in 26/27 for this category

	26/27 SPE ($000)
Equity funding	
Crown capital injection (equity)	0
Total	**0**

NZIAT will support the Government's economic programme through prudent fiscal management of our assets and finances, and careful management of capital expenditure and investments to demonstrate value add.

Summary of Financial Performance

	26/27 SPE
For the year ending 30 June 2027	**($000)**
Crown Revenue	12.003
Crown Revenue - Grants	13.800
Other income	317
Total Income	**26.120**
Operating Costs	12.320
Grant expense	13.800
Total Expenditure	**26.120**
Net surplus (deficit)	**0.000**

NZIAT Performance Framework

Te anga mahi whakatutuki

This section sets out the funding and performance expectations for 2026/27. We will report our performance against these expectations in NZIAT's Annual Report. Our performance framework is derived from NZIAT's initial thinking on its strategic direction and operating model.

Figure 1: NZIAT's Performance Framework for 2026/27

<table>
<tr><td colspan="4">Government Mandate (Our purpose)
"To drive economic transformation and better lives for New Zealanders through advanced technology."</td></tr>
<tr><td colspan="2">Our mission
"From frontier research to frontier firms for a prosperous New Zealand"</td><td colspan="2">Our ambition
Quadruple the contribution to New Zealand's GDP from the advanced technology sector over the next 10 years.</td></tr>
<tr><td colspan="4">The outcome we seek (our vision)
New Zealand becomes a world leader among small, advanced economies in our application of advanced technology to solve big problems.</td></tr>
<tr><td colspan="4">Impacts (what we will achieve) *
Not assessed in 2026/27. See NZIAT's Statement of Intent for the 4-year Performance Framework plan.</td></tr>
<tr><td>Active Investment
Increased industry R&D and commercial outcomes support a pipeline of advanced technology research.</td><td>Catalyst
Increase in active advanced technology talent participating in NZIAT-supported platforms, projects and commercialisation pathways.</td><td>Trusted Intelligence
NZIAT is a trusted source of advice on advanced technology investment.</td><td>Operational Excellence
NZIAT operates efficiently and effectively as a lean company.</td></tr>
<tr><td colspan="4">Outputs for the 2026/27 year (what we do)</td></tr>
<tr><td>• Announce and implement the AI platform decision Subject to NZIAT and Ministerial agreement, design a quantum technologies research platform and prepare for operations.
• RRI research platform contract novated to NZIAT.
• The transitioned Callaghan Innovation programmes delivered as per any NZIAT-MBIE agreement.</td><td>• Identify and implement tools NZIAT needs to support the growth of the advanced technology sector capability.
• Collaborate with the Research and Technology Investment sectors to identify talent and capability gaps</td><td>• Advise PMSITAC and the Minister on a critical technologies list.
• Begin discovery phases on future platforms. Engage with key stakeholders on the sector insights needed from NZIAT's intelligence function.</td><td>• Identify and recruit the next layer of critical roles for 2026/27.</td></tr>
</table>

Inputs in 2026/27 (what we must manage well)			
• Implement NZIAT's portfolio investment strategy. • Contracting, portfolio management and investment capabilities are put in place. • Relationships with universities, other research institutions and international expertise are established.	• Relationships with universities, PROs, other research institutes, key industry players. • Research meets international standards.	• Methods and pathways for provision of intelligence advice. • Relationships with shareholding Ministers, PMSITAC, RFNZ and MBIE.	• Crown appropriation: $25.803 million. • Identify and procure critical staff, systems and processes.

* This performance framework will develop further following the work on NZIAT's Statement of Intent 2026 - 2030, which is due to be completed by 12 January 2027. The impacts shown in this framework represent NZIAT's intended future-state only and are not assessed in 2026/27.

Our performance measured by output class

NZIAT's performance measures for 2026/27 align with the four output classes funded in this financial year (as outlined below) and build on the non-financial performance measures for the NZIAT MCA. This appropriation is intended to achieve NZIAT's ability to operate efficiently and deliver high quality strategic, analytical, and funding services that enable effective investment in, and delivery of, advanced technology.

Some performance measures are reflected in the 2025/26 Estimates of Appropriations. These performance measures are shown in **bold.**

For measures that continue into 2027/28, a benchmark for the impacts will be identified in the year 2026/2027 and may result in adjustments to the measures in future years.

The measure which applies to the overall MCA for 2026/27 is included in Output Class Four:

- Percentage of funded projects involving industry–research collaboration (80%): The 80% target has been selected as an initial benchmark. The definition of "projects involving industry–research collaboration" will be specified in the NZIAT Data Dictionary.

Responsibility for measuring and reporting will sit with NZIAT, through its Annual Report and associated Data Dictionary.

Output Class 1: Advanced Technology Operations

This category is intended to achieve NZIAT's ability to operate efficiently and deliver high quality strategic, analytical, and funding services that enable effective investment in, and delivery of, advanced technology.

Output Class 1 funds NZIAT's core operating capability, including the leadership, staff, systems, governance, intelligence and engagement functions required to administer funding, provide advice, manage investment activity, and operate effectively as a Crown-owned company. This output class supports NZIAT's organisational establishment and ongoing operational delivery, but does not fund programmes, platforms, or other investments, which sit in other output classes.

SPE No.	Performance Measures for Output Class 3	Target 2026/27	Measurement and Evidence
1.1	**Percentage of critical roles (tier 1 & 2) filled according to workforce plan (transitional)***	**80% of critical roles are filled**	**Payroll and HR establishment records; Critical roles as per data dictionary**
1.2	Risks to cost drivers identified and actively managed	Risk register reviewed at least once a quarter by the Board during 2026/27	Board-approved risk register; Board minutes recording review during 2026/27
1.3	Cost tracking and budget adherence within approved envelope	100% of appropriation	Audited financial statements
1.4	Quarterly financial and performance reports provided to MBIE in accordance with the Funding Agreement	100% - 4 reports delivered one month after quarter end.	Submission dates recorded by MBIE
1.5	The public has a clear understanding of NZIAT's role and remit	≥75% of participants understand NZIAT's role and remit	Baseline established 6 monthly Public PRO Perceptions Survey

Output Class 2: Enabling Industry Innovation & Research Development

Output Class 2 funds NZIAT's investment in programmes and services that directly support firms and researchers to translate advanced technology capability into commercial and economic outcomes. This category is intended to achieve efficient business access to advanced technologies research, specialist technical expertise, facilities, and innovation services that accelerate the development and commercialisation of advanced technologies.

These services will be delivered through the Callaghan Innovation programmes transferred to NZIAT – HTA and NZPA. Output Class 2 also supports delivery across a range of investment mechanisms within NZIAT's portfolio approach, distinct from NZIAT's internal operating costs (Output Class 1) and nationally significant research platforms (Output Class 3).

SPE No.	Performance Measures for Output Class 2	Target 2026/27	Measurement and Evidence
2.1	Service blueprints approved and implemented for core services	Service blueprints for identified core services approved and implemented by 30 June 2027	Board minutes; final service blueprint documents and evidence of implementation
2.2	Average satisfaction score for service delivery [Net Promoter Score] – services to be defined and target to be established by June 2027	Initial service satisfaction baseline established by 30 June 2027	Completed satisfaction survey instrument; documented baseline metric
2.3	**Percentage of funded projects involving industry–research collaboration***	**At least 80% of funded projects approved in 2026/27 involve industry–research collaboration.**	**Project funding agreement records industry-research collaboration, as defined in the NZIAT Data Dictionary.**

*Note also a measure for Advanced Technology Research Platforms

Output Class 3: Advanced Technology Research Platforms

This category is intended to achieve high-performing advanced technology research platforms that generate capability, knowledge, and commercial outcomes aligned with Government priorities.

Output Class 3 relates to platforms only. Platforms are part of a broader portfolio investment approach. Platforms funded under Output Class 3 are nationally significant, mission-led research and innovation initiatives that bring together research organisations, industry, investors and other partners around a common advanced technology focus.

Platforms are designed to build sustained capability, accelerate translation of research into commercial outcomes, and address market or system gaps that individual projects or firms cannot address alone. They operate through coordinated governance, long-term investment and active performance management, and form one component of NZIAT's broader portfolio investment model, alongside other investment mechanisms funded through different output classes.

SPE No.	Performance Measures for Output Class 3	Target 2026/27	Measurement and Evidence
3.1	Percentage of platform funding aligned to RFNZ Advanced Technology Pillar Investment Plan	100% of platform funding	Purpose of platform funding agreement; RFNZ Advanced Technology Pillar Investment Plan
3.2	Platform governance health measure established: Composite score (planning, delivery, risk, reporting)	Platform governance health framework approved and baseline assessment completed for all funded platforms by 30 June 2027	Approved governance framework; baseline assessment results for each platform
3.3	Key stakeholders have a clear understanding of NZIAT's investment purpose.	Baseline stakeholder understanding of NZIAT's investment strategy measured by 30 June 2027	Stakeholder perceptions survey results; documented baseline findings
3.4	**Percentage of funded projects involving industry–research collaboration**	**At least 80% of funded projects approved in 2026/27 involve industry–research collaboration.**	**Project funding agreement records industry-research collaboration, as defined in the NZIAT Data Dictionary.**

Output Class 4 – Advanced Technology Capital Injection

Output Class 4 provides equity funding to support NZIAT's establishment, financial resilience and balance-sheet strength, rather than funding delivery or investment activity.

SPE No.	Performance Measures for Output Class 4	Target 2026/27	Measurement and Evidence
4.1	Percentage of capital spent within programme scope including retained capital for financial resilience*	100% compliance	Audited financial statements; Funding Agreement compliance assessment

* Percentage of capital spent within programme scope including retained capital for financial resilience: This is a required transitional measure for the 2025/26 establishment period only. We are continuing this measure in 2026/27. The $2m capital injection was calculated to provide up to 3 months liquidity to cover operational expenses and a modest amount of funds to support one-off set-up costs.

Measurement sources

Responsibility for measuring and reporting will sit with NZIAT, through its annual report and associated Data Dictionary.

NZIAT will, where appropriate, report on progress towards these measures in its quarterly reporting to MBIE.

Prospective Financial Statements

Ngā Tauākī Pūtea Matapae

The prospective financial statements are presented in accordance with generally accepted accounting principles and the Crown Entities Act 2004. They comply with Public Benefit Entity FRS No 42 – Prospective Financial Statements and other applicable financial reporting standards, as appropriate for Public Sector Public Benefit entities.

The prospective financial statements have been prepared based on Crown policies and NZIAT outputs at the time the statements were finalised. This is forecast information and therefore the actual results achieved for the period will vary from the information presented, due to external factors.

The prospective financial statements rely on the Forecast 2026 assumptions. The NZIAT Board, which is responsible for the preparation of these prospective financial statements, believes the assumptions adopted at the time of preparation (April 2026) provide the best estimate of the future financial performance and state of NZIAT for the year ended 30 June 2027.

Prospective Statement of Comprehensive Revenue and Expense

For the year ending 30 June 2027	**2026/27**
$(000)	**Budget**
Income	
Revenue from Crown	12.003
Other Revenue	317
	12.32
Expenditure	**2025/26**
Personnel costs	4.499
Other expenses	7.821
Depreciation and amortisation	0
Grant expense	0
Total Expenditure	**12.32**

Surplus / Deficit from Operations	**0**
Other Revenue	
Enabling Industry Innovation & Research Development	3.800
Advanced Technology Research Platforms	10.000
Total Grants funding	**13.800**
Grants made - Enabling Industry Innovation & Research Development	3.800
Grants made - Advanced Technology Research Platforms	10.000
Total Grants expense	13.800
TOTAL SURPLUS/DEFICIT	**0**

Prospective Statement of Equity

For the year ending 30 June	**2026/27**
($000)	**Budget**
Retained Earnings	
Start of period	1.949
Surplus / Deficit	0
Capital Injection*	0
End of period	**1.949**

*No additional capital injection in 26/27

Prospective Statement of Financial Position

For the year ending 30 June	**2026/27**
($000)	**Budget**
Equity	
Contributed Capital	2.000
Accumulated Surplus	1.949
Total Equity	3.949
Current Assets	
Bank	4.220
Accounts receivable	
Sundry debtors	
Interest accrued on term deposits	
Prepayments	
Total Current Assets	**4.220**

Non-Current Assets	
Right of Use Asset (Net)	586
Fixtures & Fittings	
Fixtures & Fittings Accumulated depreciation	
Office equipment	
Office equipment Accumulated depreciation	
Website Development Costs	
Website Development Costs Accumulated depreciation	
Total Assets	**4.806**
Current Liabilities	
Accounts Payable	9
Withholding tax	1
Fringe benefit tax payable	
Sundry accruals	
Sundry provision	
Revenue in advance	
Suspense account	
Employee Entitlements	
Lease Liability (current)	139
GST	122
Total Current Liabilities	**269**
Total Fixed Liabilities	**0**
Total Liabilities	**0.130**
Net Assets (Assets less liabilities)	**3.949**

Non-Current Liabilities	
Lease Liability (non-current)	**588**
Total Non-Current Liabilities	**588**
Total Liabilities	**857**
Net Assets (Assets less liabilities)	**3.949**

Prospective Statement of Cash Flows

For the year ending 30 June	**2026/27**
($000)	**Budget**
Cashflows from operating activities	
Receipts from Crown - operating	12.003
Receipts from Crown - grants	13.800
Other receipts	257
Total Income	**26.060**
Cash was applied to employees	(4.499)
Cash was applied to suppliers	(7.541)
Cash was applied to Grant expenses	(13.800)
Total Expenditure	**(25.840)**
Net cashflows from operating activities	**220**
Cashflow from Investing activities	**60**
Cashflow from financing activities	**(139)**
Net increase (decrease) in cash and cash equivalents	**141**
Cash and cash equivalents at the beginning of the year	4.079
Cash and cash equivalents at the end of the year	**4.220**

Statement of underlying assumptions

In preparing these prospective financial statements, NZIAT has made judgements, estimates and assumptions concerning the future. These judgements, estimates and assumptions may differ from actual results.

Operating expenses: MBIE calculated the operating expenses based on growth in Full-time Equivalent (FTE) staff, costed at $400,000 per FTE (or $180,000 per FTE plus 110% overhead expenses). The FTE was estimated to increase over time to support the increased activity each year related to an increase in the number of advanced technology research platforms.

Capital expenditure

At the time of preparing these statements, NZIAT does not have Capex forecasted, and no assets have been identified that will be transferred to NZIAT. An assessment of whether NZIAT requires Capex over the next three years would need to be undertaken.

Other major assumptions

- Government will continue to fund NZIAT's core activities in the prospective year and for the following four planning years at least to the levels indicated in the prospective financial statement above.
- Shareholding Ministers will not require NZIAT to pay a dividend on their shareholding in the company.
- The prospective financial statements are based on estimates and forecasts, the effect of which may result in the actual financials varying from the information presented, and these variations may be material.
- The statements have been prepared on a going-concern basis.
- The total funding in the non-departmental Multi-Category Appropriation (MCA) "Science, Innovation and Technology: New Zealand Institute for Advanced Technology Limited" will be provided to NZIAT by way of an annual Funding Agreement with MBIE.

Statement of Accounting Policies

Reporting entity

New Zealand Institute for Advanced Technology Limited is a Crown Entity Company in terms of the Crown Entities Act 2004. The company is wholly owned on behalf of the Crown by the two shareholding Ministers – the Minister for Science, Innovation and Technology, and the Minister of Finance. New Zealand Institute for Advanced Technology Limited is a company registered under the Companies Act 1993.

NZIAT is a Public Benefit Entity (PBE) and as such the potential conflict between the pursuit of core public science objectives set out in NZIAT's constitution and more commercial company objectives is minimised.

Basis of preparation

The prospective financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the periods covered.
Statement of compliance

The prospective financial statements have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with Generally Accepted Accounting Practice in New Zealand (NZ GAAP).

The prospective financial statements have been prepared in accordance with Tier 1 PBE accounting standards and comply with PBE FRS42 Prospective Financial Statements.
The prospective financial statements for the year ended 30 June 2026 will be used in the Annual Report as the budgeted figures.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars ($000).

Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Changes in accounting policies

Accounting policies are changed only if the change is required by a standard or interpretation or otherwise provides for more reliable and more relevant information. There are no changes to accounting policies.

Cost allocation
NZIAT produces four non-departmental output expenses – only those bolded received funding in this financial year.

- Advanced Technology Operations: This category is limited to operational funding to support the administration and provision of advice, research, science and innovation funding mechanisms and services.
- Enabling Industry Innovation and Research and Development: This category is limited to funding for innovation services to businesses related to the provision of research and technical expertise, grants and access to facilities.
- Advanced Technology Research Platforms: This category is limited to funding for advanced technology research platforms and related commercial arrangements.
- Advanced Technology Capital Injection: This category is limited to capital expenditure to invest in the New Zealand Institute for Advanced Technology Limited.

Revenue (Crown and other revenue)
NZIAT derives revenue from the Government through the Minister of Business, Innovation and Employment for specific purposes as outlined in its annual Funding Agreement.
Other revenue is derived from generating activities and interest from bank deposits. All revenue is measured at the fair value of the consideration receivable.

Goods and services tax (GST)
All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated with GST included. Where GST is irrecoverable as an input tax, then it is recognised as part of the related asset or expense.

Taxation
Income tax expense comprises both current tax and deferred tax and is calculated using tax rates that have been enacted or substantively enacted by balance date.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if a temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the company can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Current tax and deferred tax are charged or credited to the statement of financial performance, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

Accounts receivable
Accounts receivable are stated at expected fair value and measured at amortised cost less any provision for impairment.

Cash and cash equivalents
Cash and cash equivalents in the balance sheet comprises cash at bank, in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash.

Non-current assets
Property, plant and equipment will be stated at fair value. Where a revaluation results in a debit balance in the revaluation reserve, the debit balance will be expensed in the Statement of Financial Position.

To the extent that a revaluation gain reverses a loss previously charged to the Comprehensive Statement of Revenue and Expense, the gain is credited to the Comprehensive Statement of Revenue and Expense.

Other non-current assets such as prepayments are recorded in NZIAT's Statement of Financial Position. These are payments received for services in one period but are recognised in the Statement of Financial Position in future periods.

I***mpairment of assets***
At each balance sheet date, NZIAT assesses whether there is any objective evidence that any group of non-current assets is impaired. Any impairment losses are recognised in the Comprehensive Statement of Revenue and Expense.

Depreciation and amortisation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than freehold land, at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives of major classes of assets have been estimated as follows:

- Buildings at 5 to 50 years
- Leasehold improvements at Term of lease
- Plant and equipment at 5 to 20 years
- Motor vehicles at 5 years
- Computer hardware at 3 to 5 years
- Furniture, fittings and other at 5 to 10 years

Note at this stage there are no Assets transferred to NZAIT. The categories above are indicative if / when Assets are acquired.

Capital work in progress is not depreciated. The total cost of a project is transferred to the relevant fixed asset account when it is completed and begins its productive life. It is then depreciated over its estimated economic life.

I***ntangible assets***

Software, both acquired and developed, is included under intangible assets. Also under this category are capital contribution payments made to suppliers for co-sitting rights which relate to future periods in accordance with the contractual terms.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life.

The useful lives of major classes of assets have been estimated as follows:

- Computer software at 2 to 5 years
- Capital contribution at Term of Contract

Note at this stage there are no Assets transferred to NZAIT – But the categories above are indicative if / when Assets may be acquired.

Employee entitlements

Provision is made for the company's liability for annual and long service leave. Annual leave is calculated on an actual entitlement basis at average current rates of pay over the past year in accordance with the Holidays Act 2003, whilst the long service leave provision is calculated on an actuarial basis. A provision for sick leave is not provided for as NZIAT does not carry forward sick leave into future periods.

Superannuation schemes

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the Income Statement as incurred.

Provisions

NZIAT recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, and it is probable that expenditures will be required to settle the obligation, and a reliable estimate can be made of the amount.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Leases

NZIAT has no finance leases.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases.

Payments under these leases are recognised as expenses in the periods in which they are incurred. RNZ leases its motor vehicles and the majority of its premises.

Financial instruments

NZIAT is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, debtors, creditors and loans.

All financial instruments are recognised in the statement of financial position and all revenues and expenses in relation to financial instruments are recognised in the Income Statement. All financial instruments are shown at their fair value.

Cash flow statement

Cash and cash equivalents mean current bank accounts and demand/call deposits. Operating activities are those activities relating to the purchase and supply of goods and services. Investing activities are those activities relating to the acquisition and disposal of non-current assets. Financing activities comprise those activities that change the equity and debt capital structure of the company.

Foreign currency transactions

Foreign currency transactions are converted into New Zealand dollars at the spot rate at the date of the transaction. These transactions are settled immediately; consequently, no exchange gain or loss is recognised. NZIAT also enters into foreign exchange contracts (FECs) to cover significant overseas purchases. These are defined as financial derivatives under PBE standards and the fair value of FECs are determined on the basis of quoted market rates.

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New Zealand Institute
for Advanced Technology