



**TE TAUĀKĪ KAWATAU TUTUKINGA |  
STATEMENT OF PERFORMANCE  
EXPECTATIONS**

FINANCIAL YEAR 2026/2027

# RĀRANGI UPOKO

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# KUPU WHAKATAKI A TE POARI

## BOARD FOREWORD

**A modern education system relies on secure, reliable and well-integrated digital infrastructure. In Aotearoa New Zealand, every aspect of schooling, from teaching and assessment to communication with whānau and the wider school community, now depends on it. As expectations for seamless, trusted and inclusive digital public services continue to rise, there is a clear Government direction to accelerate digitisation by reducing fragmentation, aligning effort and building shared digital foundations.**

N4L's focus is improving efficiency and effectiveness across the education system, optimising the Crown's investment in digital services while reducing the burden on educators. This includes working with the Ministry of Education, schools and kura and the technology sector to maximise value from the Crown's total investment, and reduce fragmentation and duplication across school-facing services, as the pace of technological change accelerates and costs continue to rise.

While access to digital technology is now well established, its delivery and management across the education system remains fragmented. Schools and kura currently navigate multiple systems, providers and support models, creating duplication, inconsistent experiences and uneven levels of security. This complexity places increasing demands on educators, taking time away from teaching and learning, and constrains the system's ability to operate efficiently and securely. Addressing this fragmentation is now critical to enabling the education system to fully realise the benefits of digital technologies for teaching and learning, and ultimately improving learning experiences and outcomes for ākongā.

N4L plays a central role in this transition.

As the company connecting all state and state-integrated schools and kura, N4L is evolving from a provider of infrastructure to a steward of a more cohesive and integrated digital ecosystem. By aligning services, reducing duplication and strengthening national capability, N4L supports a more consistent, secure and efficient system. This includes strengthening the digital foundations of connectivity, security, network identity and service integration across the education system, in partnership with the Ministry of Education.

The Board recognises that this is a significant period of transition. Alongside maintaining reliable services, N4L is building the foundations of a more integrated, resilient and future-ready digital ecosystem for education.

We are confident in N4L's ability to deliver on these commitments, and to continue working in partnership with the Ministry of Education, schools and kura and the technology sector, to deliver more consistent, secure and cost-effective digital services, reduce complexity for schools and kura, and ultimately improve learning experiences and outcomes for all ākongā.

**Deidre Shea | Chair**  
23 June 2026

**Ming-chun Wu | Chair,  
Audit and Risk Committee**  
23 June 2026

## KO WAI MĀTOU WHO WE ARE

**N4L delivers managed digital technology services at national scale, connecting all state and state-integrated schools and kura with safe, secure and high-speed digital infrastructure.**

N4L occupies a unique position within the education system. We work between the Ministry of Education, schools and kura, and the technology sector. In this role, collaboration, partnership and stewardship underpin our approach.

We act not only as a managed services provider, but also as a system integrator and steward - bringing together public investment, sector needs and industry capability to maximise the impact of public investment across the education system by delivering coordinated, secure and value-for-money digital services.



## HE AHA Ā MĀTOU MAHI WHAT WE DO

**Digital infrastructure underpins teaching, learning and school operations across Aotearoa New Zealand. N4L provides a nationally consistent, secure and resilient digital foundation through five interrelated areas of delivery. Together, these services form a nationally-coordinated digital foundation for education.**

### **Delivering seamless connectivity**

We provide high-speed, reliable internet and managed Wi-Fi services to all schools and kura, ensuring equitable access across rural and urban communities.

### **Strengthening digital security and safety**

We operate a nationally coordinated cybersecurity and online safety capability, including filtering, monitoring, threat detection and incident response, lifting the overall security posture of the education system.

### **Centralising funded digital services**

We manage key nationally-funded services on behalf of the Ministry, including Google and Microsoft productivity platforms, and the TELA+ teacher laptop programme. We will continue working with the Ministry and key partners to optimise the delivery of these services to schools through integrated N4L people, systems and processes.

### **Providing integrated support services**

The Education Sector Service Desk supports early childhood, compulsory and tertiary education, improving access to support and contributing to a more coordinated service experience.

### **Enabling system visibility and self-service**

Through MyN4L, we provide a unified online platform for schools and kura to access, manage and monitor their digital environment, strengthening local governance, giving schools and kura clearer visibility and control, and reducing administrative burden.

Together, these services reduce complexity, strengthen security, and lower the administrative and technical burden on educators, enabling them to focus on teaching and learning.

## E AHU ANA MĀTOU KI HEA WHERE WE ARE GOING

**N4L's focus for 2026/27 is on reducing fragmentation across the system, improving efficiency and optimising the Crown's investment, while making it easier for schools and kura to manage their digital environments. This includes progressing a more standardised 'school-in-a-box' approach, bringing together core digital services and configurations to make it simpler for schools and kura to set up, manage and use their digital environments.**

We will continue to invest in MyN4L as the single 'front door' for schools and kura, expanding self-service capability and improving visibility of services, and reducing the administrative burden. A key focus is lifting cybersecurity and online safety capability across the system, ensuring schools and kura are better equipped to manage risk and support safe digital learning. This includes developing self-assessment tools that support schools and kura to better understand, manage and strengthen their cybersecurity posture over time.

We will aim to strengthen the management of key digital platforms, including Google and Microsoft services, ensuring they are configured and governed consistently across the system. This will further uplift security and safety, reduce risk and deliver better value for money, while enabling a more consistent and reliable experience for users.

Through this work, N4L is strengthening the core digital infrastructure and safety foundations that underpin education across Aotearoa New Zealand.

Building on these foundations, N4L will support the Ministry of Education to give effect to the Government Digital Delivery Agency's expectations to improve interoperability across services and enable more consistent configuration and governance of core platforms. This work will be progressed within existing funding settings and in line with agreed priorities, with any expansion in scope subject to joint prioritisation and funding decisions.

N4L will also contribute to enabling the responsible use of data and emerging technologies, including artificial intelligence, where this aligns with Ministry-led direction and available funding.

Together, these priorities will deliver a more cohesive, safer and future-ready digital system, simplifying how schools and kura operate, improving outcomes for ākonga, reducing burden on principals and teachers, and delivering greater value for the Crown.

Funding for N4L's core services is currently confirmed through to 30 June 2028 through appropriations and contractual arrangements with the Ministry of Education. N4L will work with the Ministry of Education during the financial period to ensure continuous delivery of nationally-coordinated digital services to the education sector.

## NGĀ TUTUKINGA, NGĀ INENGA, ME NGĀ WHĀINGA KORE PŪTEA NON-FINANCIAL PERFORMANCE, MEASURES AND TARGETS

**N4L has identified a number of key metrics against which it will assess its non-financial performance.**



<b>Outcome:</b> All schools and kura provide a simple, consistent and reliable digital environment that supports teaching and learning, enabling every learner to participate effectively.			
<b>Service outcome   Managed Internet:</b> All schools and kura have reliable, high-performance internet connectivity, consistently delivered and actively monitored, ensuring dependable access to digital tools and resources that support teaching and learning.			
Key metric	Actual 2024/2025	Performance to date 2025/2026	Target 2026/2027
Percentage of eligible state and state-integrated schools connected to N4L's Managed Internet service during the reporting period, including integrated security monitoring (SIEM) and Security Operations Centre (SOC) services	100%	Q1: 100% Q2: 100% Q3: 100%  Target: 99.9%	≥ 99.9%
Percentage of eligible state and state-integrated schools that have a minimum provisioned internet bandwidth on ≥1 Mbps per enrolled student by June 2027	New measure	New measure	≥ 90%
Percentage of eligible state and state-integrated schools voluntarily disconnected from N4L's Managed Internet service during the reporting period, including integrated security monitoring (SIEM) and Security Operations Centre (SOC) services	0.0%	Target: less than 0.5%	≤ 0.1%

<b>Service outcome   Managed Wi-Fi:</b> All classrooms have high-quality, secure wireless connectivity, consistently delivered and actively monitored, supporting the effective use of digital tools in the classroom.			
Key metric	Actual 2024/2025	Performance to date 2025/2026	Target 2026/2027
Percentage of eligible state and state-integrated schools with access to reliable Wi-Fi via N4L's Managed Wi-Fi service <sup>1</sup>	Full replacement <sup>2</sup> : 245  Switch-only installations: 230  Target: 475	Q1: 105 Q2: 111 Q3: 84  Target: 397	100% (269 installs this fiscal year <sup>3</sup> )
Percentage of eligible state and state-integrated schools with secure Wi-Fi access through N4L's Managed Wi-Fi service <sup>4</sup>	New: 405 Retrofit: 66  Target: 452	Q1: 89 Q2: 126 Q3: 102  Target: 510	≥80% (534 installs this fiscal year)

<sup>1</sup> N4L's Managed Wi-Fi service is opt-in.

<sup>2</sup> Earlier supply shortages limited hardware for the Equipment Replacement programme, resulting in some partial installs (access points or switches only). By the end of 2024/25, supply was restored, all partial installs were completed and only full replacements have occurred since.

<sup>3</sup> Target depends on 43 schools that previously declined network replacement joining the programme.

<sup>4</sup> N4L's secure Wi-Fi access service is opt-in.

<b>Outcome:</b> All learners are supported to learn safely in a secure and well-managed digital environment, with risks consistently managed across the system.			
<b>Service outcome   Managed Digital Safety and Security:</b> Cybersecurity and online safety are supported through a coordinated approach, strengthening baseline protection, reducing risk, and supporting schools and kura alongside their local responsibilities.			
Key metric	Actual 2024/2025	Performance to date 2025/2026	Target 2026/2027
Percentage of eligible state and state-integrated schools protected by N4L's Firewall and Internet Safety & Security Standard	Q1: 96.2% Q2: 96.6% Q3: 96.6% Q4: 96.3%  Target: 93.5%	Q1: 97.9% Q2: 98.5% Q3: 96.5%  Target: 93.5%	≥95% <sup>5</sup>
Percentage of eligible state and state-integrated schools protected by secure, high-availability DNS management service	New measure	New measure	≥40%
Percentage of eligible state and state-integrated schools protected by N4L's Managed Email Protection service	New measure	New measure	≥70%
Percentage of high-priority remediations from security penetration testing of the N4L core network and supporting services resolved within the recommended timeframe	New measure	New measure	100%

<sup>5</sup> N4L's Internet Safety & Security Standard includes firewall security and web filtering settings, DNS filtering, SafeSearch and DDoS Protection. This metric shifts as schools change their network settings, so the level of compliance shifts over time.

<b>Outcome:</b> Teaching and learning continue without disruption, supported by a simple, reliable and cohesive digital system.			
<b>Service outcome   Managed Service Reliability:</b> Critical digital services are consistently available and rapidly restored when issues occur, reducing complexity for schools and improving system performance.			
Key metric	Actual 2024/2025	Performance to date 2025/2026	Target 2026/2027
Percentage of network availability	New measure	Q1: 99.99% Q2: 99.98% Q3: 99.99%  Target: ≥99.84%	≥99.84%
Phone answering time for Managed Services (percentage of calls answered within 30 seconds)	Q1: 83% Q2: 91% Q3: 92% Q4: 87%  Target: 85%	Q1: 79% Q2: 88% Q3: 89%  Target: 85%	≥85%
Percentage of emails for Managed Services actioned within 1 business day (time taken for first/initial action)	New measure	New measure	≥90%
Phone answering time for the Education Service Desk (percentage of calls answered within 30 seconds)	New measure	New measure	≥85%
Percentage of emails for Education Service Desk acknowledged within 1 business day	New measure	New measure	≥90%

Key metric	Actual 2024/2025	Performance to date 2025/2026	Target 2026/2027
Time to acknowledge the MAC (Moves, Adds and Changes) service request	Q1: 78% Q2: 91% Q3: 93% Q4: 86%  Target: 80% of all requests under 8 Support Hours	Q1: 73% Q2: 93% Q3: 88%  Target: 80% of all requests within 8 Support Hours.	≥80% of all requests within 8 Support Hours
Time to resolve by tier 1 and tier 2 Service Desk (the number of minutes to resolve an incident, measured per month)	Q1: 88% Q2: 86% Q3: 94% Q4: 96%  Target: 85% of incidents resolved within agreed time to respond.  P1: 4 Support Hours P2: 8 Support Hours P3: 16 Support Hours P4: As agreed	Q1: 94% Q2: 93% Q3: 95%  Target: 85% of incidents resolved within agreed time to respond.  P1: 4 Support Hours P2: 8 Support Hours P3: 16 Support Hours P4: As agreed	≥85% of incidents resolved within agreed time to respond.  P1: 4 Support Hours P2: 8 Support Hours P3: 16 Support Hours P4: As agreed
Percentage of schools onboarded to self-service support service (MyN4L)	New measure	Q1: 252 Q2: 138 Q3: 124  Target: 649	≥90% (250 new schools onboard this fiscal year)
Principal and/or operational contact at each state and state-integrated schools' satisfaction with the performance of N4L delivering the Managed Network and associated services	92%  Target: 90% 'satisfied' or 'very satisfied' response from respondents	90%  Target: 90% 'satisfied' or 'very satisfied' response from respondents	≥90% 'satisfied' or 'very satisfied' with N4L

## TE TUTUKINGA PŪTEA FINANCIAL PERFORMANCE

N4L will measure its financial performance against the following high-level targets:

- N4L will generate income as set out in the Prospective Statement of Comprehensive Income.
- N4L will operate in a financially sustainable manner, ensuring that its operating expenses and any required capital expenditure are covered by its operating income and agreed on shareholder funding.
- N4L will notify the Treasury early if it expects material changes in its financial forecast.

N4L will meet the Minister's expectations as set out in her Letter of Expectations.

### Expected revenues and proposed expenses

#### Sources of income

The Company expects to receive income from:

- The Managed Services Statement of Work (SOW).
- The Project Services SOW, as set out in several schedules with the Ministry of Education, including:
  - Managed Wi-Fi services.
  - Secure Access services.

The Company may also receive additional income from:

- Providing technology services to Independent Schools.

- Equipment sales to schools and ICTs.
- Other Government contracts in the education sector.

#### Statement of significant assumptions

The prospective financial statements included in this Statement of Performance Expectations rely on a set of critical assumptions made by N4L.

The most significant assumptions reflected in these financial statements are:

- Achieving the Equipment Replacement targets as set out in this document could be impacted if there are significant changes in the NZ:USD exchange rate.
- Statements of Work supporting revenue assumptions are signed with the Ministry of Education.

Any additional activities will be conducted within the parameters established by Ministerial expectations of N4L and in accordance with the agreed Statements of Work.



**Deidre Shea | Chair**  
23 June 2026



**Ming-chun Wu | Chair,  
Audit and Risk Committee**  
23 June 2026

# NGĀ PŪRONGO PŪTEA ANAMATA

## PROSPECTIVE FINANCIAL STATEMENTS

### Prospective Statement of Comprehensive Income for the year ended 30 June 2027

	2025/26 Forecast \$000	2025/26 SPE \$000	2026/27 SPE \$000
Income from Exchange Transactions	74,565	71,474	71,325
Foreign Exchange Gains	93	0	0
<b>Total Income</b>	<b>74,658</b>	<b>71,474</b>	<b>71,325</b>
<b>Expenditure</b>			
Network and Field Services	16,729	15,930	12,089
Personnel Costs	32,813	33,156	36,023
Software and Licensing	8,037	7,439	8,217
Depreciation	6,604	6,167	8,321
Audit Fees	108	78	113
Foreign Exchange Losses	(41)	0	0
Other General and Overhead Expenses	5,296	6,798	5,754
<b>Total Expenses</b>	<b>69,546</b>	<b>69,568</b>	<b>70,517</b>
<b>Net Surplus/(Deficit)</b>	<b>5,112</b>	<b>1,906</b>	<b>808</b>
<b>Total Comprehensive Income/(Loss) for the Period</b>	<b>5,112</b>	<b>1,906</b>	<b>808</b>

### Prospective Statement of Changes in Equity for the year ended 30 June 2027

	2025/26 Forecast \$000	2025/26 SPE \$000	2026/27 SPE \$000
<b>Opening Balance</b>	<b>12,114</b>	<b>12,119</b>	<b>17,226</b>
Net Surplus/(Deficit)	5,112	1,906	808
<b>Total Comprehensive Income/(Loss) for the Period</b>	<b>5,112</b>	<b>1,906</b>	<b>808</b>
Dividends paid	-	-	(3,200)
<b>Distribution to Owners</b>	<b>-</b>	<b>-</b>	<b>(3,200)</b>
<b>Closing Balance</b>	<b>17,226</b>	<b>14,025</b>	<b>14,834</b>

## Prospective Statement of Financial Position as at 30 June 2027

	2025/26 Forecast \$000	2025/26 SPE \$000	2026/27 SPE \$000
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	18,500	16,055	15,917
Other Current Assets	20,658	17,030	17,204
<b>Total Current Assets</b>	<b>39,158</b>	<b>33,085</b>	<b>33,121</b>
<b>Non-Current Assets</b>			
Property, Plant, Equipment and Intangibles	32,329	31,948	25,468
<b>Total Non-Current Assets</b>	<b>32,329</b>	<b>31,948</b>	<b>25,468</b>
<b>Total Assets</b>	<b>71,487</b>	<b>65,033</b>	<b>58,589</b>
<b>Current Liabilities</b>			
Accruals and Payables	9,953	7,320	8,875
<b>Total Current Liabilities</b>	<b>9,953</b>	<b>7,320</b>	<b>8,875</b>
<b>Non-Current Liabilities</b>			
Lease Incentive	0	27	0
Deferred Revenue	44,308	43,661	34,880
<b>Total Non-Current Liabilities</b>	<b>44,308</b>	<b>43,688</b>	<b>34,880</b>
<b>Total Liabilities</b>	<b>54,261</b>	<b>51,008</b>	<b>43,755</b>
<b>Equity</b>			
Share Capital	14,000	14,000	14,000
Retained Earnings	3,226	25	834
<b>Total Shareholders' Funds</b>	<b>17,226</b>	<b>14,025</b>	<b>14,834</b>
<b>Total Liabilities and Shareholders' Funds</b>	<b>71,487</b>	<b>65,033</b>	<b>58,589</b>

## Prospective Statement of Cash Flows for the year ended 30 June 2027

	2025/26 Forecast \$000	2025/26 SPE \$000	2026/27 SPE \$000
<b>Cash Flows from Operating Activities</b>			
Receipts from Customers	96,242	92,638	72,978
Interest Received	461	372	320
Payments to Suppliers and Staff	(71,242)	(70,117)	(71,001)
<b>Net Cash Inflow from Operating Activities</b>	<b>25,461</b>	<b>22,893</b>	<b>2,297</b>
<b>Cash Flows from Investing Activities</b>			
Purchase of Property, Plant and Equipment	(17,769)	(20,194)	(1,680)
<b>Net Cash Outflow from Investing Activities</b>	<b>(17,769)</b>	<b>(20,194)</b>	<b>(1,680)</b>
<b>Cash Flows from Financing Activities</b>			
Dividends paid	0	0	(3,200)
<b>Net Cash Outflow from Financing Activities</b>	<b>0</b>	<b>0</b>	<b>(3,200)</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>7,692</b>	<b>2,699</b>	<b>(2,583)</b>
Opening Balance	10,808	13,356	18,500
<b>Closing Balance</b>	<b>18,500</b>	<b>16,055</b>	<b>15,917</b>

# NGĀ PITO KŌRERO MŌ NGĀ PŪRONGO PŪTEA ANAMATA

## NOTES TO THE PROSPECTIVE FINANCIAL STATEMENTS

### 1. Reporting entity

The Network for Learning Limited (N4L), a limited liability Company incorporated in New Zealand under the Companies Act 1993, is a Crown entity as defined by the Crown Entities Act 2004. It is listed in Schedule 4A of the Public Finance Act 1989.

N4L's purpose is to establish and operate a student-focused network for schools and kura that provides significant benefits to students and educators by delivering a reliable, safe and secure internet connection. As such, N4L's principal aim is to provide services to the public, rather than make a financial return. Accordingly, N4L is designated as a public benefit entity (PBE).

The New Zealand Crown is the ultimate parent of N4L, however the Crown does not guarantee the liabilities of N4L in any way.

### 2. Statement of compliance

The prospective financial statements are for the year ended 30 June 2027, with comparatives to the forecast and SPE for the current year ending 30 June 2026. The forecast comparatives for 2025/2026 include actual financial results for the period July 2025 to May 2026. The prospective financial statements have been prepared in accordance with the relevant requirements of the Public Finance Act 1989 and Crown Entities Act 2004, which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The prospective financial statements have been prepared in accordance with and in compliance with Tier 1 PBE accounting standards and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

These statements will be used in our Annual Report as the budgeted figures.

### 3. Critical accounting estimates and assumptions

In preparing these prospective financial statements, N4L has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results, and these differences may be material.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The prospective financial statements were authorised for issue by the Board of Directors on 23 June 2026. The Board is responsible for preparing the forecast financial statements presented, including judgments concerning the appropriateness of the assumptions underlying the prospective financial statements and other required disclosures. It is important, however, to note that the prospective financial statements are estimates based on the available information at the time of publication and contain inherent uncertainties.

Actual financial results achieved are likely to vary from the information presented, and the variations may be material.

### 4. Measurement

The financial statements have been prepared on a historical cost basis.

### 5. Functional and presentation

#### Currency

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand (\$000). The functional currency of N4L is New Zealand dollars.

### 6. Summary of significant accounting policies

The following accounting policies, which significantly affect financial performance and position measurement, have been consistently applied.

#### Income

Income is measured at the fair value of consideration received or receivable. Interest income is recognised using the effective interest method. Income from exchange transactions includes income from the provision of network and cybersecurity services in schools, equipment sales and interest income.

### 7. Cash and cash equivalents

Cash and cash equivalents include cash on hand and term deposits held with a major New Zealand trading bank with original maturity of six months or less.

### 8. Other current assets

Other current assets are recorded at their face value, less any provision for impairment.

### 9. Property, plant, equipment and intangibles

Property, plant and equipment consist of computer equipment, office equipment, office furniture and leasehold improvements. Property, plant and equipment is shown at cost, less accumulated depreciation and impairment losses.

Intangible assets include both acquired and internally developed. Acquired software licenses are capitalised at cost, including costs to acquire and bring the software into use. Maintenance costs are expensed as incurred. Costs directly attributable to the development of the Managed Network Upgrade are capitalised when they will provide future economic benefits or service potential, and the costs can be reliably measured. All other development and maintenance costs are expensed as incurred. Amortisation occurs over its estimated useful life.

## 10. Accruals and payables

Accruals and payables are non-interest-bearing and are stated at their nominal value. They are normally settled on 30-day terms, and the carrying values of accruals and other payables approximate their fair values.

## 11. Goods and services tax

All items in the prospective financial statements are presented exclusive of goods and services tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position. The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

## 12. Income tax

N4L is a public authority and, consequently, is exempt from the payment of income tax. Accordingly, no provision has been made for income tax.

## 13. Statement of cash flows

The following are the definitions of the terms used in the statement of cash flows:

- Cash comprises cash at bank and any short-term deposit with an original maturity of six months or less that are readily converted to known amounts of cash and are subject to an insignificant risk of changes in value.
- Operating activities are the principal revenue-producing activities of the Company and other activities that are not investing or financing activities.
- Investing activities are those activities relating to the acquisition and disposal of current and non-current investments, property, plant and equipment, intangible assets and other non-current assets.
- Financing activities are those activities that result in changes in the size and composition of the contributed equity of the Company.

## 14. Income from exchange transactions

Income from Exchange Transactions represents:

- Estimated income from the provision of core network and support services to schools. These services for state and state-integrated schools are paid for directly by the Ministry of Education on behalf of the schools. Income from services to schools also includes income from independent schools for the provision of core network services and support services, which are paid for by the independent schools.

- Estimated income from a hardware replacement programme and school cybersecurity services. The Ministry of Education pays for these services.
- Equipment sales to schools and IT providers, which is recognised at the time of sale.

## 15. Expenditure

Network and Field Services represent:

- Estimated payments to network providers and other field services for the provision of N4L services in schools.

Personnel Expenses represent:

- Estimated salaries, short-term employee benefits and contractor costs.

Software and Licensing represent:

- Software and licensing costs to operate N4L's systems, including the Managed Network.

Depreciation represents:

- The depreciation of assets over time, including assets under the Managed Network.

Other general and overhead expenses represent:

- All other costs, including facilities, professional services, travel, board and governance costs.

## 16. Reportable outputs

In compliance with the Crown Entities Act (2004) S149E(1)(c), N4L confirms that all of its revenue and expenditure proposed in the financial year is a reportable class of outputs, with the exception of equipment sold to schools directly.



**Auckland Head Office**  
Level 5, 8 Tangihua Street  
Auckland 1010

**Christchurch Office**  
Level 2, 128 Wrights Road  
Addington  
Christchurch 8024

**Wellington Office**  
3/354 Lambton Quay  
Wellington 6011

**W** n4l.co.nz  
**P** 0800 LEARNING (0800 532 764)

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