Antarctica New Zealand

ANTARCTICA NEW ZEALAND

ANNUAL REPORT

2024–2025

STATEMENT OF VISION AND VALUES*

VISION

Antarctica and the Southern Ocean:
Valued, Protected, Understood.

VALUES

People are the key to Antarctica New Zealand's success. This includes permanent staff, fixed-term and contract staff, seconded staff from the New Zealand Defence Force and our many strategic partners in Government, the science community and other National Antarctic Programmes.

We seek to create a high-performance organisation underpinned by a culture of shared beliefs:

- **We are passionate about what we do**
  Ka ngākau whiwhita tātou ki ā tātou mahi katoa
- **We care for each other and the environment**
  Ka tiaki tātou i a tātou anō, ka tiaki hoki i te taiao
- **We work together**
  Ka mahi tahi tātou
- **We aspire to the highest standards**
  He ngākau pono ō tātou
- **We act with integrity**
  Ka whai tātou i ngā taumata tiketike

Antarctica New Zealand is the crown entity responsible for developing, managing and executing New Zealand government activities in Antarctica and the Southern Ocean. We also manage Scott Base, New Zealand's Antarctic research station which supports science in the Ross Sea region.

Antarctica New Zealand

* **Source:** ***Antarctica New Zealand Statement of Intent 1 July 2022 – 30 June 2026***

Camp site at Cape Crozier.

Cover: Exiting an ice cave.


VALUED.
PROTECTED.
UNDERSTOOD.

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Contents Ngā Kai o Roto

Dr Richard Jones collecting rock samples in the Morozumi Range.
© Laura Philips/SAEF

BOARD CHAIR'S REPORT
LEON GRICE

In a year of change, Antarctica New Zealand continued to support scientists to deliver high quality science in Antarctica and the Ross Sea region. The science and heritage restoration events we supported spanned from the Siple Coast to Cape Adare which in a New Zealand context is equivalent to the distance from Cape Reinga to Bluff. We kept our people safe in New Zealand and in the Ross Sea region.

It was a year of change for the board. Dame Therese Walsh retired from the board after eight years of invaluable service that included chairing the Finance and Audit Committee. We welcomed Keiran Horne and Craig Ellison to the board with Keiran taking over from Dame Therese as chair of the Finance and Audit Committee. We are leveraging her extensive governance, finance and audit experience. Craig Ellison holds a Master of Science from the University of Otago that included field study in the Ross Sea region and an extended period at Scott Base. He has a storied career as a board director and chief executive in the fishing, food processing industries and the Māori economy. The board's People Committee is chaired by Heather Simpson and the Scott Base Redevelopment Committee (also known as the Project Steering Committee) is chaired by Neville Harris. Dr Neil Gilbert, Heather Simpson and Craig Ellison (alternate) serve on the Scott Base Redevelopment Committee. That committee includes two external experts, Waren Warfield and Peter Leslie who have provided further depth and experience to the governance of the project.

The board ran a wide search for a new chief executive and in early 2025 appointed Jordy Hendrikx to the position. Jordy had been acting in the role since last quarter, 2024 as well as being our chief scientific officer. He has had a substantial science career in New Zealand, the United States and Norway and understands Antarctica New Zealand's core business. He has the leadership and executive skills required to guide our team and deliver on our broad Antarctic mission.

TE PŪRONGO A TE TIAMANA ME TE TUMU WHAKARAE

The board has been highly engaged in key areas, particularly Scott Base Redevelopment. We chose a more standard building methodology to redevelop Scott Base following an independent review, extensive consultation, and a clear assessment of long-term value for New Zealand. The masterplan, approved in December 2024, prioritises critical life-supporting infrastructure as part of the new Base Services building and the refurbished Hillary Field Centre. It extends the life of existing assets wherever possible while preserving capability and resilience. We have growing confidence that this approach will allow us to deliver all of the user requirements within the budget envelope. Our monitoring agency, MFAT and Treasury and Infracom officials, our Minister and the Cabinet have been highly active supporting the reset process and the project's new direction.

The board has worked closely with management to align our priorities with Government expectations around delivering value for money and strategic clarity. We supported the chief executive's change programme that has been implemented to improve organisational resilience, agility and responsiveness.

As a board we are constantly working on our approach to health and safety and supporting the organisation to continuously improve its risk and health and safety systems and culture. Operating in such a harsh environment means there is always risk, particularly for teams deployed to deep-field events. It is a board priority to continue this work and ensure that the business-as-usual risks and the Scott Base Redevelopment risks are managed seamlessly across the whole organisation.

We developed an implementation plan to secure $50 million in private investment. It allows us to include partners who want to contribute to our Antarctic science and environmental mission and our stewardship. We have worked closely with MFAT to ensure the approach to sponsorship is aligned with New Zealand's foreign policy interests.

Internationally, we reinforced New Zealand's leadership in the Antarctic Treaty System. The appointment of Ceisha Poirot, our GM Policy, Environment and Safety as Chair of the Committee for Environmental Protection demonstrates our leadership and commitment to the system. We strengthened relationships with key partners including the United States, UAE, Germany, Switzerland, Korea, and Italy that focused on increased cooperation on science and shared logistics. These relationships strengthen our ability to be an influential voice in the Antarctic system.

For the year ahead the board has a busy work programme that includes getting detailed design completed and the business case ready for Cabinet to approve Scott Base Redevelopment and for construction to commence in the 26/27 season. We remain focused on supporting Jordy and the team to support world-class science in Antarctica and ensure our people are safe in their work. Through collaboration and leadership we want to increase New Zealand's influence to protect Antarctica and to defend a legacy that began on Ross Island with Sir Edmund Hillary and his team in 1956.

In a year of change, the board thanks Jordy and all his team for their achievements, hard work and passion for the mission.

Leon Grice
Chair

CEO'S REPORT
JORDY HENDRIKX

This year, we focused on implementation, integration, and building momentum. After resetting the Scott Base Redevelopment (SBR) project, we embedded and integrated the new direction across our operations—while continuing to deliver high-impact science, maintain a safe and effective presence on the ice, and strengthen international partnerships.

We fundamentally changed how we plan, resource, and deliver SBR. We integrated the revised masterplan into long-term planning, aligned capital and personnel strategies, and reorganized our structure. We have started a new partnership with LT McGuinness and Parsons Corporation as part of the Early Contractor Engagement to de-risk delivery and improve timelines for SBR. Despite challenges—including the wind turbine supplier's liquidation—we have made real progress: we completed key infrastructure foundations, preparatory site works, completed preliminary design, and submitted an indicative business case to Cabinet.

We expanded our international engagement. We deepened ties with new research agreements with the United States and Germany, strengthened relationships through further science and logistics collaborations with Korea and Italy, and built new partnerships with the UAE, and Switzerland. These relationships are producing results—shared future science missions, joint logistics, and a stronger platform for New Zealand's leadership in Antarctic research and environmental protection. These also provide the broader benefits and opportunities for New Zealand beyond Antarctica.

Internally, our restructuring created a more dynamic and responsive team and responded to our Minister's expectations to achieve more with less. We improved integration, consolidated the senior leadership team, elevated team and group managers, and clarified roles. For our seasonal Scott Base roles, we ran a successful recruitment campaign that brought exceptional talent to the ice.

Our team supported 98 events, including 32 science events this season, achieving an 89% logistics success rate—well above our 85% target. We also maintained year-round operations at Scott Base, enabling high-quality science across the Ross Sea region – from Cape Adare to the Siple Coast.

The Antarctic Science Platform completed its first seven-year phase, meeting all key performance indicators – and a new contract for the next seven years was funded. The Platform's renewal for a second phase confirms its impact and the strength of our science community. Across all supported science, in 2024 alone, we supported 78 peer-reviewed publications and recorded over 6,000 citations over a rolling six-year period—our highest total ever. This provides ongoing evidence of the growing quantity and quality of the science that we support in Antarctica.

We also advanced sustainability and safety. Our emissions intensity per FTE and per dollar spent continued to decline. We continued to reduce our environmental footprint, including planning for a fossil-fuel-free field camp and transitioning to electric vehicles. These initiatives support our long-term sustainability goals.

We maintained ISO 45001 and ISO 14001 certifications for health, safety, and environmental management. Our people worked safely in some of Earth's most remote and challenging environments, including Cape Adare, Mt Erebus, and the Siple Coast.

We supported the Antarctic Heritage Trust's conservation work and collaborated with MFAT to improve environmental permitting and policy. Our GM Policy, Environment and Safety, Ceisha Poirot, chaired the Committee for Environmental Protection, reinforcing New Zealand's leadership in Antarctic governance.

We launched new outreach initiatives, including podcasts, documentaries, and educational resources that connect New Zealanders with Antarctic science. These efforts help inspire the next generation of researchers and storytellers.

We celebrated 70 years of NZDF support in Antarctica, recognising their vital role in logistics and operations. Their contributions underpin our success and reflect the strength of our whole-of-government approach.

Looking ahead, we will deliver the Detailed Business Case for SBR, work to secure private funding, deepen and give greater effect to our international partnerships, and continue to elevate New Zealand's role in the Antarctic community. This is a time of transformation—and I'm proud of how our organisation has embraced it. Together, we're building a future that honours our proud legacy and boldly takes us into a future of expanded influence and importance for New Zealand's activities in Antarctica.

Prof. Jordy Hendrikx
Chief Executive Officer

ANTARCTICA NEW ZEALAND BOARD OF DIRECTORS 2024/2025

TE POARI O NGĀ KAIWHAKAHAERE O ANTARCTICA NEW ZEALAND 2024/2025

Leon Grice
Chair

Leon has had a diverse career in business and Government service. He started in public affairs and investor relations before specialising in overseas investment facilitation. Most recently, Leon co-founded Rako Science which rapidly deployed COVID-19 saliva testing. Prior to that he worked in the COVID-19 Operations Command Centre, which solved some of the early logistics and planning challenges of the pandemic. From 2012-2017 he served as New Zealand Consul General in Los Angeles. He also led the office set up by the Government to oversee the 2011 Rugby World Cup leverage and legacy programme. Leon has been a Government advisor, and has extensive experience in business and start-up companies, building new teams, and managing complex projects.

Craig Ellison

Craig was an Advisory Board member of the Antarctic Science Platform, and his undergraduate studies included spending 10 weeks at Scott Base (1977/8). Most recently he was the Chief Executive at Sanford and prior to that the Chief Executive at Ngai Tahu Holdings Corporation. Craig was Chair of Wellington Zoo. Past roles show a long involvement in the Fisheries and Seafood sector including being the past Chair of the Seafood New Zealand, the NZ Seafood Standards Council, as well as serving on the boards of Sealord, Aotearoa Fisheries, Moana Pacific, Prepared Foods and the New Zealand Fishing Industry Board. He has been an industry advisor at two WTO Trade Ministerial Summits. Craig was Co-chair of the Pacific Economic Cooperation Council Fisheries Development and Cooperation Task Force.

Dr Neil Gilbert

Dr Neil Gilbert has four decades' experience in environmental management and has spent most of his career working on polar issues. He has worked in policy and management roles for central government in the UK and New Zealand and has spent many years developing environmental and health and safety systems in an Antarctic context. Neil has represented both the UK and New Zealand at many international Antarctic fora. He is a former Chair of the Antarctic Committee for Environmental Protection, and former editor of the Antarctic Environments Portal, run by the Scientific Committee on Antarctic Research. Neil also holds an Adjunct Senior Fellow position at Gateway Antarctica, University of Canterbury.

Neville Harris QSO

Neville Harris joins the board with governance experience and a background in managing construction, engineering and infrastructure projects. Working most of his career in the public sector, he was a deputy secretary at the Ministry of Economic development until 2013. Neville has held Project Director roles on the Christchurch Justice and Emergency Services Precinct and new Dunedin Hospital. He was involved in the redevelopment of Eden Park ahead of the 2011 Rugby World Cup and the construction of the temporary Christchurch Stadium of which he was a trustee for nine years. Neville is on the Board of Crown Regional Holdings. In 2014 he received a Queen's Service Order for services to the State.

Keiran Horne

Keiran is a professional director with experience in both the public and private sectors. Prior to her governance career, Keiran worked as an accountant specialising in business rescue and insolvency, strategic planning, change management and commercial transactions. She has significant governance experience in strategic risk management, assurance and climate related disclosures, having chaired numerous Audit and Risk Committees. Keiran has held a range of governance roles including TVNZ, Lotto and Solid Energy. She is currently on the boards of The Co-operative Bank, Enable Network Services Ltd, University of Canterbury, Quayside Holdings Ltd and ScreenSouth Ltd. Keiran is a Chartered Accountant and Chartered Member of the Institute of Directors.

Heather Simpson

Heather has extensive Government and policy experience including as Chief of Staff for the Prime Minister and Special Advisor to the United Nations Development programme. She has led a range of Government reviews and groups including a review of the New Zealand health and disability system and a new group to support the Ministry of Health in improving COVID-19 border security. She is also a Director of Transpower and the Environmental Protection Authority (EPA). Heather holds a BA(Hons) in Economics.


SMITH

STATEMENT OF SERVICE PERFORMANCE

	2025 Actual $000	2025 Budget $000	2024 Actual $000
CROWN REVENUE			
Maintain New Zealand's continuous and effective presence in Antarctica	19,461	20,084	28,017
Enhance New Zealand's Antarctic and Southern Ocean Science	693	1,010	914
Leadership and Cooperation	6,393	4,908	5,545
Protect Antarctic Environments	889	934	990
Total Appropriation*	**27,436**	**26,936**	**35,466**
CROWN CAPITAL			
Scott Base Redevelopment	22,000	22,000	62,000
Total Appropriation	**22,000**	**22,000**	**62,000**

*Appropriations only. A comprehensive statement on revenue and expenses can be found on page 45.

Critical judgements made in selecting, measuring and presenting service performance information.

In preparing this Statement of Service Performance in accordance with PBE FRS 48 Service Performance Reporting, Antarctica New Zealand has made judgements on the information to be reported and the application of financial reporting standards, as follows:

Selecting

- Reflecting priorities set by the Minister of Foreign Affairs and feedback from the Ministry of Foreign Affairs and Trade (MFAT) which has responsibility for New Zealand's overall interests in Antarctica and the Southern Ocean.
- Aligning with the statutory functions of the organisation.
- Ensuring a balance of quantitative and qualitative performance measures and descriptions.
- Representing coverage across the wide range of engagement and services provided by Antarctica New Zealand to its clients and stakeholders.
- Including internal activities and processes where necessary to assess Antarctica New Zealand's overall health and performance.

Measuring

- Determining items of significance which may be financial, strategic, or high-impact in other ways such as through innovation or involving multiple stakeholders.
- Independently evidencing the quality of bespoke services delivered or strategic engagement activities performed.
- Auditing key systems' performance against international standards.
- Utilising internally generated project management documentation to provide a comprehensive measure of progress in delivering key organisational projects.

Presenting

- Aligning with strategic planning documents and frameworks previously published, such as *Antarctica New Zealand's Statement of Intent 2022 – 2026*.
- Including narrative explanations to enhance understanding of performance, or not if the results are considered self-explanatory.
- Presenting service performance information in a wider context to enhance understanding, for example including science results and outcomes delivered by third-party researchers where their achievement depended on the services and support provided by Antarctica New Zealand.

Subsurface sampling on Mt Erebus.
Photo: Dr Stephen Noell/Antarctica New Zealand (2024)

ANTARCTICA NEW ZEALAND – WHY WE EXIST
TŌ MĀTOU ARONGA ME Ā MĀTOU MAHI MATUA

Our establishing legislation, the New Zealand Antarctic Institute Act 1996, defines our role and principal functions as:

- **to develop, manage, and execute New Zealand activities in respect of Antarctica and the Southern Ocean, in particular in the Ross Dependency**
- **to maintain and enhance the quality of New Zealand Antarctic scientific research**
- **to co-operate with other institutions and organisations both within and outside New Zealand having objectives similar to those of the Institute.**

Our strategic direction – *what we intend to achieve*

Antarctica New Zealand's Statement of Intent (SOI)[1] 2022-26 sets out our strategic direction and priorities which have been agreed in consultation with the Minister of Foreign Affairs.

We contribute to implementing New Zealand's Statement of Commitment to Antarctica and the Southern Ocean[2] and Aotearoa New Zealand Antarctic and Southern Ocean Research Directions and Priorities 2021–2030[3], through a whole-of-government approach. In doing so we seek to ensure that the Antarctic Treaty System continues to be recognised as one of the appropriate mechanisms for the management and governance of the region.

Our two medium-term objectives that contribute to the accomplishment of this goal are as follows:

1. Protecting Antarctic and Southern Ocean environments

To play a leading role in understanding the pressures and impacts on the Antarctic environment, and to identify appropriate management and policy responses.

2. Enhancing scientific research in Antarctica and the Southern Ocean

To improve our understanding of the impact of environmental change in, on and around Antarctica, and the impacts of that change on the rest of the world.

Our strategic priorities – *how we go about it*

To guide delivery of our medium-term objectives we have developed four strategic priorities, highlights of which include:

Maintain New Zealand's continuous and effective presence in Antarctica

Aotearoa New Zealand has had a year-round presence in Antarctica since Scott Base was established in 1957. The Scott Base Redevelopment will ensure Aotearoa New Zealand has safe, fit-for-purpose, and sustainable infrastructure that safeguards its continuous presence on the ice. This year has seen a reset in the project, however, the reasons to redevelop remain. We are committed to supporting and facilitating high-quality science and our construction activities as safely as possible in Antarctica's remote and challenging environment. This means we have a relentless focus on health, safety and wellbeing.

Enhance New Zealand's Antarctic and Southern Ocean science

Supporting globally significant scientific research that contributes to the 2021-2030 Aotearoa New Zealand Antarctic and Southern Ocean Research Directions and Priorities remains our priority while undertaking the Scott Base Redevelopment.

Also through hosting the Antarctic Science Platform, Antarctica New Zealand plays a significant role in understanding Antarctica's impact on the global environment in a rapidly warming world.

Leadership and cooperation

Our longstanding cooperative relationship with the US Antarctic Program is extremely important to our successful operations in Antarctica and to Christchurch as an Antarctic Gateway City. The support provided by the New Zealand Defence Force is a highly valued whole-of-government contribution to this relationship. We also have cooperation arrangements with Italy and Korea who operate facilities in the Ross Sea region, along with Germany to foster more scientific cooperation.

We will continue to work closely with all parties in the region to deepen relationships through science, environmental protection and logistics.

Protect Antarctic environments

Our work in support of the Ministry of Foreign Affairs' leadership on Antarctic policy matters and in Antarctic Treaty forums is another example of a whole-of-government approach.

This has been reinforced by the appointment of Antarctica New Zealand's General Manager of Policy, Environment and Safety to the Chair of the Antarctic Treaty Committee for Environmental Protection.

Delivering our strategy – *what we have done*

A mix of key performance measures have been developed for the activities required to deliver each strategic priority. Antarctica New Zealand's Statement of Performance Expectations (SPE) 2024/25[4] sets out our planned performance for the year against which we report our actual results in this Annual Report.

1 https://d1e7mq055r7tid.cloudfront.net/images/SOI-Full-Document.pdf
2 Statement-of-Commitment-to-Antarctica-and-the-Southern-Ocean-2019.pdf (mfat.govt.nz)
3 Aotearoa-New-Zealand-Antarctic-Research-Directions-and-Priorities-2021-2030.pdf (mfat.govt.nz)
4 Antarctica New Zealand's Statement of Performance Expectations (SPE) 2024/25

OUR VISION

ANTARCTICA AND THE SOUTHERN OCEAN – VALUED. PROTECTED. UNDERSTOOD.

WHY WE EXIST

Kaitiakitanga **VALUED**

New Zealand continues to play an influential role in the kaitiakitanga (stewardship) of Antarctica and the Southern Ocean as a natural reserve devoted to peace and science.

WHAT WE DO

Responsible Stewardship **PROTECTED**

Protect Antarctic and Southern Ocean environments including their intrinsic values.

Excellent Science **UNDERSTOOD**

Antarctic and Southern Ocean research delivers strategic and scientific impact.

HOW OUR VISION IS ACHIEVED

Maintain New Zealand's continuous and effective presence in Antarctica

Safe year-round operations of Scott Base to high environmental standards

Redevelop Scott Base while continuing to support globally significant scientific research

Enhance New Zealand's Antarctic and Southern Ocean Science

Support high-impact research that benefits New Zealand

Successfully host the Antarctic Science Platform

Support the implementation of 2021-2030 Research Directions and Priorities science strategy

Leadership and Cooperation

Work closely with other nations to deepen cooperation

Promote Christchurch as an Antarctic Gateway City

Support New Zealand's continued influence in the Antarctic Treaty system

Increase awareness of New Zealand's activities in Antarctica

Protect Antarctic Environments

Demonstrate strong leadership on environmental policy

Demonstrate exemplary environmental practices with the Scott Base Redevelopment

Focus on sustainability and reducing our environmental impacts

WHO WE WORK WITH AND SUPPORT

Our People

Science Community

Christchurch City

New Zealand Public

Suppliers and Contractors

Central Government Organisations

New Zealand Defence Force

National Antarctic Programmes

Resources are committed and relationships strengthened through:

Organisational Culture

Christchurch's Antarctic Gateway Strategy

International Linkages and Connections

Engaging with the Public

TARGETS AND MEASURING OUR SUCCESS*

Protect Antarctic and Southern Ocean environments

Aotearoa New Zealand holds leadership positions within the CEP.

2025 Target
Leadership of at least one intersessional contact group or Committee for Environmental Protection (CEP) Vice Chair.

New Zealand's Antarctic research outcomes support national and international policy-makers.

2025 Target
Antarctica New Zealand supported research informs the Antarctic Treaty System strategic priorities measured by inclusion of the research in papers to the ATS meetings.

The state of the Ross Sea region environment is better understood and managed.

2025 Target
Regular monitoring and/or synthesis of information to understand the state of the environment and the effectiveness of current management measures is readily available and actively used to support timely environmental management actions.

The environmental impact of the Scott Base Redevelopment is minimal.

2025 Target
Scott Base is redeveloped meeting the parameters of the Comprehensive Environmental Evaluation and demonstrating exemplary environmental practices.

Sustainable New Zealand Antarctic Programme

New Zealand Antarctic programme activities are conducted safely.

2025 Target
There are no serious injuries or illnesses (rated at a critical risk level).

New Zealand's Antarctic programme is an exemplar of sustainability.

2025 Target
Maintain certifications.

Lead in Antarctic forums relating to measuring and managing carbon emissions.

Direct economic impact from Antarctica-related activities.

2025 Target
Direct economic impact from Antarctica-related activities returns to pre-COVID-19 levels in three years.

In a highly inflationary environment, New Zealand's Antarctic programme is funded appropriately.

2025 Target
Working with MFAT and Treasury, ensure the significant inflationary pressures impacting the delivery in-full of strategic priorities included in this Statement of Intent, are managed.

* Source: *Antarctica New Zealand Statement of Intent 1 July 2022 – 30 June 2026*

Antarctica New Zealand successfully hosts the Antarctic Science Platform.

2025 Target
The Antarctic Science Platform key performance indicators are met.

Following the conclusion of the Antarctic Science Platform (ASP) in June 2025, MBIE continues to see value in large-scale investment in New Zealand's Antarctic research.

Antarctica New Zealand supports relevant science.

2025 Target
Research supported by Antarctica New Zealand is aligned with the Government's Antarctic and Southern Ocean Science Directions and Priorities 2021-2030.

The quantity and quality of Antarctic research produced by Antarctica New Zealand-supported researchers increases.

2025 Target
The number of peer-reviewed scientific papers increases over time.

The number of citations of peer-reviewed scientific papers increases over time.

Enhanced scientific research in Antarctica and the Southern Ocean

International science linkages are strengthened.

2025 Target
The number and quality of international collaborations with New Zealand research programmes increases.

Facilitate cooperation and collaboration amongst National Antarctic Programmes operating in the Ross Sea region.

2025 Target
New Zealand collaborates operationally, scientifically and environmentally on a strategic basis with National Antarctic Programmes operating in the Ross Sea region.

Scott Base facilities are able to safely support current and future science need.

2025 Target
A Scott Base facility that is fit for purpose for the next 50 years that's able to support current and evolving science needs

High-quality science is supported at Scott Base throughout the duration of the Scott Base redevelopment project.

The first WINFLY flight into Ross Island after winter. © **Mike Mahon**

MAINTAINING OUR PRESENCE
WHAKAPŪMAUTIA TE NOHO

This class of output is intended to support New Zealand's core business activities in Antarctica through the safe, year-round operation of Scott Base and an efficient logistics supply chain with Aotearoa New Zealand. It is also intended to achieve a high standard of service performance for New Zealand's Antarctic operations in support of science.

As the existing Scott Base nears the end of its useful life this class of output provides for the implementation stage of a project to redevelop Scott Base as a safe, fit for purpose facility that will maintain New Zealand's permanent presence in Antarctica for the next 50 years. Performance will be assessed by delivery of projects, programmes and services and includes how they are delivered (e.g. safely). The effectiveness of the services will be assessed by feedback from programme participants, partners and stakeholders.

MAINTAINING NEW ZEALAND'S CONTINUOUS AND EFFECTIVE PRESENCE IN ANTARCTICA

	2025 ACTUAL				2025 BUDGET				2024 ACTUAL
	Core Business $000	Scott Base Redevelopment $000	Antarctic Science Platform $000	2024/2025 Total $000	Core Business $000	Scott Base Redevelopment $000	Antarctic Science Platform $000	2024/2025 Total $000	2023/2024 Total $000
Revenue – Crown	13,461	6,000	–	19,461	14,084	6,000	–	20,084	28,017
Revenue – Other	927	3,696	–	4,623	725	660	–	1,385	7,656
Total Revenue	14,388	9,696	–	24,084	14,809	6,660	–	21,469	35,673
Total Expenses	15,337	17,212	–	32,549	16,111	16,303	–	32,414	69,488

Other revenue for this output class is higher than budgeted due to interest earned on cash balances at more favourable interest rates than budgeted.

SBR project expenditure for this output class is higher than budget due to further impairment costs arising from the project reset and damaged wind turbines which were not budgeted. Core Business expenditure for this output class is lower than budget because a fixed wing aircraft was not contracted for the 2024/25 Antarctic season.

MAINTAIN NEW ZEALAND'S CONTINUOUS AND EFFECTIVE PRESENCE IN ANTARCTICA TARGETS

	2024/2025	2023/2024
Maintain a year-round operational presence supporting high-quality science at Scott Base	●	●
New target: Complete a revised Detailed Business Case to redevelop Scott Base for cabinet consideration by 30 June 2025 with the preferred option developed through to detailed design stage including independently verified costings	●	–
Deliver the 2024/25 component of the Scott Base Redevelopment project plan for a Ross Island wind farm replacement to agreed milestones — in scope, on time and within annual budget allocation	●	●
New target: Report back to the Minister of Foreign Affairs by December 2024 on progress seeking $50 million in private sponsorship to reduce the Crown's existing financial commitments to the Scott Base Redevelopment	●	–
Meet the parameters of the Comprehensive Environmental Evaluation for the Scott Base Redevelopment	●	●
There are no serious injuries or illnesses (rated at a critical risk level)	●	●
Maintain independent ISO 45001 certification for the Health and Safety Management System by 30 June 2025	●	●
Ensure science, environment and logistics activities are well co-ordinated by maintaining a 3-4-year operational plan by 30 June 2025	●	●
Achieve a minimum rating of 85% overall for how well their logistics support objectives were achieved against the agreed plan—for both science and non—science projects (including any impacts outside of Antarctica New Zealand's control not related to COVID-19 e.g. weather).	●	●

● NOT ACHIEVED ● PARTIALLY ACHIEVED ● ACHIEVED

Partially achieved is defined as where ≥ 50% of the target's underlying performance metrics are achieved.

ANZAC day commemorations.
© Ginho Haurua/Antarctica New Zealand

Complex logistics

Antarctica New Zealand supported 98 events across both science and non-science activities. Peak population reached 115 people on-ice. Overall Antarctica New Zealand supported 339 southbound passenger movements using both New Zealand Defence Force and United States Antarctic Program airlift. The 2024/25 season saw the return of a busy sea ice programme and the traverse to Kamb Ice Stream as part of the SWAIS2C project. It also saw the programme support deep field events in complex locations such as Cape Adare, the McMurdo Dry Valleys, the Morozumi Range and on Mt Erebus. For 14 days, our staff supported more personnel in the field than the number of people at Scott Base.

Operational presence maintained

Antarctica New Zealand achieved its target of maintaining an operational presence at Scott Base throughout the 12-month period across summer and winter. This allowed high-quality science to take place as documented in the annual Science Achievements Report.

Operational plan

The organisation also achieved its target of maintaining a 3-4 year operational plan by June 2025 to ensure science, environment and logistics activities were well coordinated. The rolling four-year operational plan is regularly updated as new planning information becomes available. High-level planning data for the 2025/26 season has been transferred to the Operations team to complete its detailed planning for delivering the upcoming season. An investigation into technology that supports improved visibility of the rolling plans across the organisation is underway.

Performance rating

Data from the 2024/25 season showed there was an 89% achievement of logistics objectives across all supported activities. The target was 85%.

Infrastructure

During the season and throughout winter, the Assets and Engineering team completed improvements at Scott Base to ensure it can continue to support New Zealand's Antarctic programme. Among these works was the upgrade of the glycol heating loop for the water intake and the reinforcement of the stanchions for the water intake and outfall.

IT improvements

A number of rollouts took place over the year, including security enhancements, cloud infrastructure upgrades including Microsoft Office 365, SharePoint Online and Teams integration. Enhancements were made to our Antarctic Event planning system (EMPEROR+) and the season scheduling tool. The phone system was replaced at Scott Base, and Starlink continues to be utilised for enhanced Base and Field communications.

Information Management

This year Antarctica New Zealand's Information Management (IM) was assessed against the five maturity levels of the IM Maturity Assessment model for the Archives New Zealand Public Records Act 2005 audit programme. Antarctica New Zealand rated strongly compared to other organisations of a similar size. The final Audit report will be published on Archives New Zealand's website in due course.

Upgrade completed to the glycol heating loop for the water intake. **© Antarctica New Zealand**

Examining the Dobson sun director, Arrival Heights.
© Antarctica New Zealand

Scott Base Redevelopment

Antarctica New Zealand continues to advance the Scott Base Redevelopment (SBR), ensuring New Zealand maintains a fit-for-purpose research station in Antarctica that supports world-class science and a sustained national presence on the ice.

In May 2024, an Independent Review Panel recommended significant changes to the project's design, delivery, and resourcing. These recommendations were implemented, resulting in a strategic reset of the project to ensure it could be delivered within budget and with greater certainty.

Following this reset, the Board of Antarctica New Zealand approved a new masterplan in December 2024. The masterplan outlines a three-stage redevelopment over the next 20–50 years. Stage One is scheduled for completion in 2030. This stage will deliver a new Base Services building; refurbish the Hillary Field Centre, replace essential plant; and replace the existing wind turbines which will treble the capacity of the wind farm.

Stage 1 of the SBR masterplan is due for completion in 2030.
© **Antarctica New Zealand**

The four SBR targets set out in the Statement of Performance Expectations for 2024/25 were not achieved:

- The target to deliver the 2024/25 component of the RIWE system to agreed milestones. This was not achieved due to a key supplier going into liquidation.
- The target to complete a revised Detailed Business Case (DBC) by 30 June 2025. A revised submission date of June 2026 was agreed following the updated project timelines as a result of the project reset.
- Compliance with the Scott Base project Comprehensive Environmental Evaluation. Of the seven aspects of the permit one had a non-compliant recorded against it.
- Reporting on private sponsorship progress. This took place in January 2025 rather than December 2024.

During the 2024/25 season, the construction team made tangible progress on the ice, completing the foundations for the new wastewater outfall and for one of the three new wind turbines. The team also supported the United States Antarctic Program with its barge pier project at McMurdo Station—a vital piece of infrastructure that will enable the off-loading of materials required for the redevelopment. These efforts demonstrate the collaborative and logistical groundwork being laid to support future construction phases.

In March 2025, the company contracted to deliver and install three new wind turbines went into liquidation. In addition, three of the nine new wind turbine blades were damaged in transit to Antarctica and had to be returned to New Zealand. Despite these setbacks, the project team responded swiftly to secure the remaining equipment needed for the wind farm and initiated a new procurement process to engage an alternative installer. That same month, a Gateway Targeted Investment Review was completed which noted that, "The Review Team observes a significant uptick in clarity and grip around the project, with governance and project confidence trending positively."

An interim Scott Base project environmental performance report covering the 2024/25 season's activities and actual impacts against the plan was submitted to the Minister of Foreign Affairs and Trade on 3 June 2025. This milestone reflects the organisation's commitment to environmental stewardship and regulatory compliance.

In May 2025, a targeted investment briefing was submitted to Cabinet. This was a precursor to submission of a Detailed Business Case by the end of the 2025/26 financial year. Independently verified costing will be completed ahead of the DBC submission, giving confidence to the viability of the project being completed within budget.

In June 2025, LT McGuinness was appointed as the Early Contractor Engagement (ECE) contractor to assist with the design and delivery of the redevelopment. Supported by global infrastructure leader Parsons Corporation, LT McGuinness has contributed to simplifying design; improving programme milestones; and de-risking delivery costs. Both the Concept Design and Preliminary Design stages were concluded on schedule.

Cabinet instructed Antarctica New Zealand to explore private sponsorship opportunities to support the SBR. An implementation plan has been developed to raise $50 million through multiple pathways, supplementing the $498 million allocated by the Government. These pathways align with Antarctica New Zealand's strategic objectives and the SBR masterplan. The organisation is consulting with MFAT to ensure alignment with foreign policy and national interests and is in active discussions with the Minister on progress. This funding strategy reflects a proactive approach to securing long-term financial sustainability for the project.

The development of a masterplan and a staged approach to the redevelopment reduces upfront costs and project risk, while addressing the most pressing needs to maintain New Zealand's enduring presence on the ice. With key design phases completed, environmental compliance achieved, and strategic partnerships in place, the project is well-positioned to move into its next phase with confidence and momentum.

Health Safety and Wellbeing

'We are responsible for each other and the environment' is one of Antarctica New Zealand's core values which underpins our organisational culture. Antarctica New Zealand is committed to the continuous improvement of health and safety and wellbeing including our policies, procedures and processes, which provide safe and healthy working conditions for our employees and others working for us and with us.

The 2024/25 season had a focus on improving field risk assessments and ensuring our critical risks were well managed. We made changes in how we work with our partner institutions to ensure our shared duties were more clearly communicated, agreed and understood. These improvements were implemented to ensure our people who undertake work in the remote and harsh Antarctic environment away from Scott Base understood the environments they were working in and were better able to manage their safety. Specific areas of improvement included working at altitude, near areas of volcanic activity, operating in very remote locations, diving operations in Antarctica, and the use of explosives.

In the summer of 2024/25, Antarctica New Zealand worked in collaboration with the New Zealand Defence Force (NZDF) to undertake an on-site safety risk assessment of historic ammunition, explosives and flares. These may have been buried near the hut associated with Carsten Borchgrevink's British Antarctic (Southern Cross) Expedition 1898–1900 and later, Scott's Northern Party expedition (1911) at Cape Adare, North Victoria Land. The site visit found some small arms ammunitions, but no explosives and the assessment concluded that due to the age and deterioration over time, the hazard to planned conservation work at the site or to visitors to the area was low and no further assessment was required.

Antarctica New Zealand successfully maintained ISO 45001 certification of the Health and Safety Management System relating to its Christchurch operation following a re-certification audit in June 2023. A review audit was held in April 2024 and a second review audit was held in May 2025. There were two Minor Non-Conformances, and no Major Non-Conformances identified during this review visit.

The team conducting an on-site safety risk assessment at Cape Adare. © **Antarctica New Zealand**

The organisation continued to have a positive reporting culture during the year and is investigating software to better record and monitor our safety lead and lag indicators to ensure we have a focus on the right things. There were no notifiable serious injuries, illnesses or serious harm related incidents with a critical risk rating reported for the 2024/25 season. However, in partnership with Te Herenga Waka—Victoria University, we did notify WorkSafe that a drilling rig tipped over during pre-drilling preparation, even though there were no injuries. WorkSafe did not investigate or require further information.

The Scott Base Redevelopment reset has seen a focus on improving the organisation's health and safety management system, particularly with a focus on contractor management and ensuring that work as imagined is work as done. The improvement opportunities feed into the overarching focus on health, safety and wellbeing and is integrated into the organisation as a whole.

Jessica MacFarquhar working at Windless Bight.
Photo: Antarctic Science Platform

ENHANCING OUR SCIENCE
WHAKAMAROHITIA TE PŪTAIAO

This class of output is intended to ensure that high quality, peer-reviewed Antarctic research is supported. Performance will be assessed by a range of service quality measures. The longer-term impact of this output will be assessed by the growth in quality of the research performed.

Antarctica New Zealand enhances Antarctic science by providing logistics support to Antarctic research – funding research through the Antarctic Science Platform and prioritising and coordinating efforts under the *Aotearoa New Zealand Antarctic and Southern Ocean Research Directions and Priorities 2021-2030* policy document, which sets out priority areas for New Zealand's research in Antarctica and the Southern Ocean.

ENHANCE NEW ZEALAND'S ANTARCTIC AND SOUTHERN OCEAN SCIENCE

	2025 ACTUAL				2025 BUDGET				2024 ACTUAL
	Core Business $000	Scott Base Redevelopment $000	Antarctic Science Platform $000	2024/2025 Total $000	Core Business $000	Scott Base Redevelopment $000	Antarctic Science Platform $000	2024/2025 Total $000	2023/2024 Total $000
Revenue – Crown	693	–	–	693	1,010	–	–	1,010	914
Revenue – Other	1,226	–	7,225	8,451	754	–	7,174	7,928	8,622
Total Revenue	1,919	–	7,225	9,144	1,764	–	7,174	8,938	9,536
Total Expenses	1,920	–	8,413	10,333	1,764	–	8,005	9,769	8,905

Other revenue is higher than budget due to additional unbudgeted funding received from MBIE for a new US Catalyst Strategic Investment Fund.
Expenditure for this output class is higher than budget primarily due to Antarctic Science Platform funded research grant expenditure which was carried forward from the previous financial year.

ENHANCING NEW ZEALAND'S ANTARCTIC AND SOUTHERN OCEAN SCIENCE TARGETS

	2024/2025	2023/2024
Ensure research supported by Antarctica New Zealand is aligned with the Government's *Antarctic and Southern Ocean Research Directions and Priorities 2021-2030*	ACHIEVED	ACHIEVED
Ensure a strategic, transparent and objective process for the allocation of logistics to support science is applied where demand exceeds supply	ACHIEVED	PARTIALLY ACHIEVED
Ensure annual key performance measures for the Antarctic Science Platform, as agreed with MBIE, are delivered in full	ACHIEVED	PARTIALLY ACHIEVED
Measure the quality of science produced by Antarctica New Zealand supported researchers (papers produced in the last calendar year and citations of papers produced over the last six calendar years)	ACHIEVED	ACHIEVED
Publish an annual Ross Sea region focussed report on New Zealand's scientific achievements in Antarctica, including those related to climate change, by 30 June 2025	ACHIEVED	ACHIEVED
Include Antarctica New Zealand supported research in papers presented to the Antarctic Treaty System meetings	ACHIEVED	ACHIEVED

NOT ACHIEVED · PARTIALLY ACHIEVED · ACHIEVED

Partially achieved is defined as where ≥ 50% of the target's underlying performance metrics are achieved.

Overview of the science season

Antarctica New Zealand, with the assistance of our Ross Sea region partners, supported 32 science events during the 2024/25 summer season. They covered a broad range of research themes aligned with *Aotearoa New Zealand Antarctic and Southern Ocean Research Directions and Priorities 2021-2030*. Four priority areas for research are identified in the policy, and these provide the framework for Antarctica New Zealand's science programme.

- Quantifying the Antarctic contribution to sea level rise
- Cryosphere-ocean-atmosphere connections and implications of change
- Ecosystem dynamics and responses to change
- Protecting Antarctic and Southern Ocean environments

The 2024/25 season saw teams diving under sea ice to examine silica sponges, sampling geothermal soils on the slopes of Mt Erebus, measuring methane seeps on the ocean floor, completing magnetic recordings at Cape Evans, contributing to 114 years of records and collecting measurements on the Ross Ice Shelf. Research stretched from ~11 degrees of latitude, from Morozumi Range in the north (~71°S) to the Siple Coast in the south (~82°S), greater than the distance between Auckland and Invercargill.

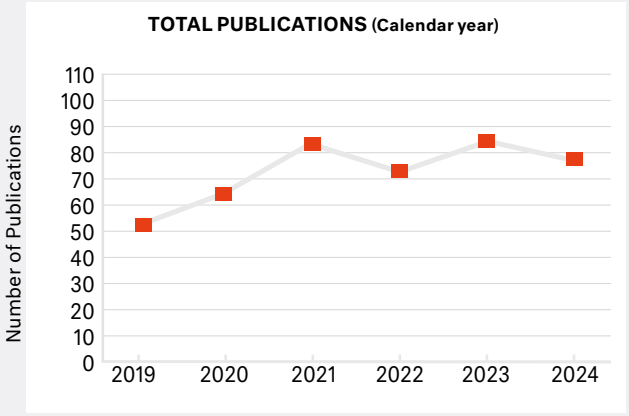
Much of the world-class research supported by Antarctica New Zealand focuses on improving understanding of the impacts of climate change for Antarctica and the Southern Ocean, and the links to changes in New Zealand and the rest of the world. This includes investigations of the cryosphere, oceans, and atmosphere, and both marine and terrestrial ecosystems. The quality, breadth and complexity of the research is impressive.

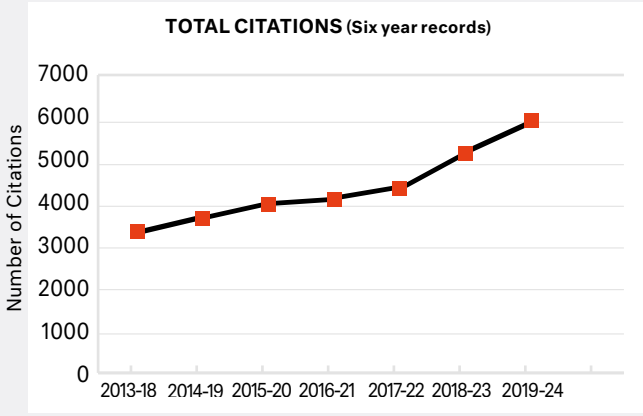
In addition to efforts launched from Scott Base, we supported science events on HMNZS *Aotearoa* resupply mission to McMurdo Sound, in support of the New Zealand–United States Joint Logistics Pool. This work was coordinated with research undertaken during Earth Sciences New Zealand's (formerly NIWA) RV *Tangaroa* Ross Sea voyage, maximising the functionality and capabilities of each vessel. All the scientific achievements for the season were documented in the *Science Achievements Report*, which was published on Antarctica New Zealand's website on the target date of 30 June 2025.

Peer reviewed papers

In the 2024 calendar year, there were at least 78 peer-reviewed publications, which compared to 85 in 2023. Over the past six years (2019-2024), there have been 438 peer-reviewed publications resulting from research supported by Antarctica New Zealand, and 6,024 citations. This compared to 408 and 5,318 in the 2018 and 2023 period respectively. This continues an upward trend in citations across successive six-year periods since 2014-2019, with 2019-2024 recording the highest citation total on record.

A publication must acknowledge Antarctica New Zealand's support and/or use samples, data, instruments, penguin census imagery or counts, or funding associated with, or supported by, Antarctica New Zealand to be included in the bibliography. This methodology makes the link between investment in field work and the publications generated from that field work more explicit. The criteria are transparent and repeatable, and have been shared publicly. We acknowledge that some publications related to Antarctica by New Zealand researchers are excluded. All publication figures were informed by the most up to date information at the time of preparation in late May 2025.





Marie Hennequin

Jessica MacFarquahar and Ruari Macfarlane

Scholarships

In 2024, Antarctica New Zealand awarded two scholarships to three deserving recipients. Jessica MacFarquhar and Ruari Macfarlane received the New Zealand Post Antarctic Scholarship. NZ Post has a proud history with Antarctica and supports early-career researchers as part of its ongoing connection to the ice. Marie Hennequin received the Ella Yelich-O'Connor Antarctic Doctoral Scholarship, funded by proceeds from *Going South*, a memoir and photo book created by Ella Yelich-O'Connor, also known as Lorde, after travelling to Antarctica in 2019 through our Community Engagement Programme. Her creative work and generosity continue to support the next generation of Antarctic scientists.

Jessica (MSc, University of Canterbury) worked on developing rapid ice sampling devices to improve the accuracy of ice sheet models by enabling more efficient and diverse ice core collection. Ruari (MSc, University of Otago) investigated the structure and mechanics of the McMurdo Ice Shelf to improve models of Antarctic ice shelf stability and global sea-level change. Marie (PhD, University of Otago) studied how trace-metal micronutrients influenced the Southern Ocean's carbon sink over the last 140,000 years to enhance climate change predictions.

New Zealand Post Antarctic Scholarship recipient Jessica MacFarquhar. © **Antarctica New Zealand**

Antarctic Science Platform

Supported by the Ministry of Business, Innovation, and Employment's Strategic Science Investment Fund, the Antarctic Science Platform conducts world-class research to improve understanding of Antarctica's role in the global Earth system, particularly in a +2°C or warmer world.

The first phase of this seven-year programme was completed on 30 June 2025. The Government has extended the programme for another seven years.

Antarctica New Zealand supports and hosts the Platform, ensuring delivery of its annual performance measures as agreed with MBIE. The 2024/25 performance of the Platform itself will be confirmed through MBIE's evaluation of the Platform's annual report, delivered 29 August 2025.

Based on MBIE's feedback, all measures are expected to be fully achieved across key measures, including:

- Impact studies indicating progress against research priorities
- Systems are in place to assess the quality and quantity of research outputs
- Targeted opportunities have been provided to develop New Zealand's emerging Antarctic science talent.

Key Performance Indicators 2024-25

The Platform has 20 current Key Performance Indicators with MBIE that cover a broader range of objectives across seven categories over the seven-year term of the contract (2018–2025). It has reported all to MBIE as fully achieved.

Strategic intent **One KPI**

The Antarctic Science Platform has completed its four, core multidisciplinary, multi-institutional research projects, which align to its objective of increasing understanding of Antarctica's role in global Earth systems and the impacts of a warming climate.

Impact **Two KPI**

The Antarctic Science Platform has delivered its required impact case studies, which this year focused on: terrestrial Antarctic conservation; a new distribution model to predict moss habitats and vulnerabilities; enhancing mātauranga Māori; improving projections of Antarctic ice loss and sea level.

Science excellence **Four KPI**

The Antarctic Science Platform has produced 206 peer-reviewed publications to date, including 51 in 2024. Its researchers continued to contribute to leading international initiatives, including the Committee for Environmental Protection, the World Climate Research Programme, the Intergovernmental Panel on Climate Change, Scientific Committee on Antarctic Research expert groups, and the Southern Ocean Observing System Ross Sea working group, among others. Science excellence was independently monitored through an International Science Panel.

Horizons and co-funding/leverage **Two KPI**

The Platform continued to invest in new ideas by developing and testing bespoke technology, advancing new atmospheric, oceanic and ice-sheet models, and — together with Antarctica New Zealand — launching New Zealand's first Antarctic and Southern Ocean metadata catalogue. It also supported short-term projects that responded to emerging research priorities.

Investing in people **Five KPI**

The Platform continued to build capability in Antarctic research in New Zealand through support for emerging researchers. More than 30 early career researchers and over 50 postgraduate students have contributed to Platform projects over the past seven years. Development opportunities have included mentorship, leadership roles, co-authorship, conference presentations, fellowships and targeted funding.

Vision Mātauranga **Three KPI**

The Platform has made meaningful progress to embed Te Ao Māori and mātauranga Māori into its programme. The 2024/25 recruitment of a Kaiārahi Rangahau Māori (Māori Research Navigator) and a Māori research leader position the Platform well to implement its Mātauranga Māori Strategy during Phase 2.

Domestic and international collaboration **Three KPI**

In 2024/25, over half of peer-reviewed publications resulted from domestic collaborations, involving authors from two or more New Zealand institutions. International partnerships were even more prominent, with 86% of publications including at least one overseas co-author. The cohort of postgraduate students and early career researchers consistently contribute more than 5% of publications annually.

Looking ahead

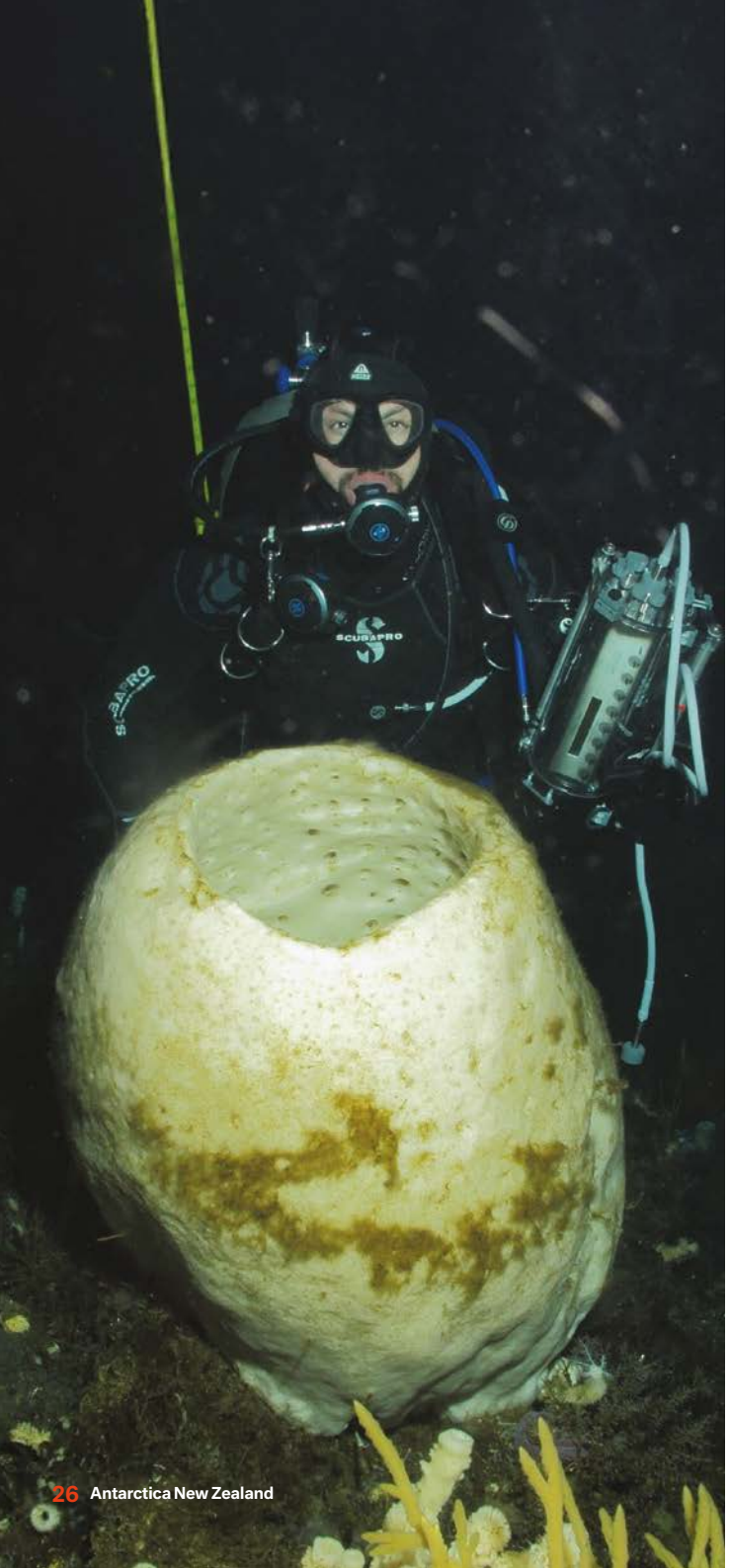
In the Platform's second 7-year phase (2025-2032), research will continue to focus on the stability of the West Antarctic Ice Sheet, the changing Antarctic atmosphere and Southern Ocean, impacts on Ross Sea ecosystems, and the transformation of terrestrial and nearshore environments.

In particular, the Platform will work to identify:

- Signposts of catastrophic climate change and how they can be effectively observed to support timely mitigation
- Drivers and potential implications of unprecedented change in the Ross Sea and Southern Ocean
- Critical vulnerabilities of Antarctica's ice sheets and glaciers, and the implications of likely increased melt.

The outgoing Steering Group Chair Dr Gillian Wratt, steering group members, and Platform director Prof. Nancy Bertler are commended for their efforts over the last seven years.

Laura Philips processing samples for the Morozumi Range Biodiversity project.



International science

International science collaborations strengthen New Zealand's Antarctic research programme, providing access to expertise and equipment, and enabling data sharing between research communities. The following provides two examples from the 2024/25 season. In the 2024/25 season, scientists and divers from Germany's leading polar research organisation, the Alfred Wegener Institute joined with a New Zealand team from the University of Waikato and Earth Sciences New Zealand (formerly NIWA) to investigate Antarctica's iconic glass sponges, a partnership facilitated by the Memorandum of Arrangement signed in 2024. A diver from Wageningen University and Research (Netherlands) also joined the team.

Diving to study glass sponges on the Antarctic seafloor, McMurdo Sound. © **Alex Brett/USAP**

New Zealand and Germany, a rare glimpse of the glass sponge

Dense populations of glass sponges inhabit the Antarctic seafloor, typically in deep ocean water, where they perform an important function as habitat-structuring species. Glass sponges' skeletons are composed of silica (hence their 'glass' name), and it is thought that they play a significant role in the cycling of silica as well as carbon. Their usual deepwater occurrence and incompatibility with aquarium settings makes studying the sponges difficult, so many aspects of their biology remain poorly understood. Fortunately, in McMurdo Sound the glass sponges can be found in shallower depths of less than 30m that are accessible for research divers working under the sea ice. This unique opportunity for access provided the New Zealand–Germany team with a rare chance to undertake novel research combining divers and remotely operated vehicles.

The team used a blend of standard and newly developed techniques to study the sponges' diet, metabolism, growth rates and how they interact with the environment. Several traditional techniques for sponge experimentation required adaptation for the polar environment, and because of the larger size of these sponges compared with their temperate zone relatives. A specialised 'sponge hat' was developed to prevent intrusion from nosy fish onlookers, and hundreds of images were captured to enable the creation of 3D models of the sponges for determination of biomass and to allow growth to be measured. A time-lapse camera and an environmental data logger were installed to continue observations in the winter months. The team will return this coming season (2025/26) to continue the research, which provides important information for understanding the likely impact of climate change on this species and the marine life that depends on it.

Monitoring emperor penguins in the Ross Sea region Marine Protected Area

The Ross Sea region Marine Protected Area (MPA) spans 1.55 million square kilometres of ocean, safeguarding a diverse range of ecosystems. Among its most iconic residents are emperor penguins — top predators whose population dynamics offer vital insights into the overall health of the region's marine environment.

During the 2024/25 season, a joint New Zealand–United States research team established a field camp on the sea ice at Cape Crozier to study emperor penguins, a key indicator species for the Ross Sea marine ecosystem. This was the third and final field season for the programme, which first visited Cape Crozier in the 2019/20 season. Their goal was to understand the birds' foraging ecology and habitat use. To achieve this, they deployed underwater cameras and specialised physiological equipment to examine how penguin movement patterns relate to feeding behaviours in breeding adults. The team collected biological samples for penguin sex identification and will conduct a detailed analysis of the penguins' diet. Additionally, they will help validate population estimates derived from satellite imagery, providing critical ground-truth data. Preliminary results suggest shorter foraging trips and greater mass gain in 2024 compared to results from previous seasons, indicating favourable feeding conditions.

This research is aligned with the Earth Sciences New Zealand (formerly NIWA)–led Ross Sea Region Research and Monitoring Programme. Funding for the programme has now ended, and the research has generated significant new insights into the foraging behaviour, movement, and breeding success of key species, including Weddell seals, Adélie penguins, and emperor penguins. The data gathered will deepen our understanding of emperor penguin population dynamics and dietary habits — information essential for evaluating the ecological health and effectiveness of the MPA.

The combined Earth Sciences New Zealand (formerly NIWA) and Moss Landing Marine Laboratories team working at Cape Crozier studying Emperor penguins. © **Anthony Powell/Antarctica New Zealand**

Top predators to terrestrial mites

International partnerships were integral to the success of many other New Zealand programmes working in the 2024/25 season. These included investigations of seafloor seeps (United States), terrestrial biodiversity assessments in the Morozumi Range (Australia), permafrost gas measurements in the McMurdo Dry Valleys (Italy) and a top predator study at Cape Crozier (United States) and SWAIS2C (multilateral partners). More details on these programmes can be found in the field highlights section of our Science Achievements Report.

The NZ-US team working at Cape Crozier.
© Anthony Powell/Antarctica New Zealand

LEADERSHIP AND COOPERATION
TE ĀRAHI ME TE MAHI TAHI

This class of output is intended to support leadership and co-operation opportunities with other institutions and organisations, both within and outside New Zealand, that have objectives similar to those of Antarctica New Zealand.

Opportunities will be pursued to enhance the quality of New Zealand's Antarctic research; conduct operations more efficiently and effectively; ensure that the Antarctic environment is effectively protected; support New Zealand's continued influence within the Antarctic Treaty system; and increase awareness of New Zealand's activities relating to Antarctica and their relevance to the general public.

Performance will be assessed by a range of service quality measures including the number of international collaborations and engagements facilitated. The effectiveness of the services provided will be assessed by stakeholder feedback through a variety of mechanisms including surveys of the public.

LEADERSHIP AND COOPERATION

	2025 ACTUAL				2025 BUDGET				2024 ACTUAL
	Core Business $000	Scott Base Redevelopment $000	Antarctic Science Platform $000	2024/2025 Total $000	Core Business $000	Scott Base Redevelopment $000	Antarctic Science Platform $000	2024/2025 Total $000	2023/2024 Total $000
Revenue – Crown	6,393	–	–	6,393	4,908	–	–	4,908	5,545
Revenue – Other	256	–	–	256	174	–	–	174	242
Total Revenue	6,649	–	–	6,649	5,082	–	–	5,082	5,787
Total Expenses	6,649	–	–	6,649	5,082	–	–	5,082	5,787

Crown revenue for this output class is higher than budget due to additional unbudgeted funding received from MFAT as a contribution to Science Cooperation Arrangements. In addition, the higher expenditure than budgeted has increased the allocation of crown revenue against this output class.
Expenditure for this output class is higher than budget primarily due to increased costs associated with New Zealand Defence Force support of activities in Antarctica.

LEADERSHIP AND COOPERATION TARGETS

	2024/2025	2023/2024
Lead at least one intersessional contact group, expert group or Chair at CEP and/or Executive Committee role at COMNAP	●	●
The Ministry of Foreign Affairs and Trade (MFAT) indicates satisfaction with leadership on environmental policy in Antarctica through the Antarctic Treaty System – Committee on Environmental Protection (CEP)	●	●
Ensure that New Zealand meets its agreed commitments to the joint United States/New Zealand logistics pool, as confirmed by the US National Science Foundation	●	●
Ensure that activities are conducted under individual co-operation agreements with our current neighbours in the Ross Sea Region and with Australia to realise mutual benefits	●	●
Ensure New Zealand has at least two significant science collaborative projects with the United States in the Ross Sea region underway during the year	●	●
Achieve ChristchurchNZ satisfaction with the quality and timeliness of support provided to: (a) its Antarctic Office: to service National Antarctic programmes based in Christchurch; and (b) promote Christchurch and New Zealand as a valued Antarctic gateway	●	●
Provide annual support for the Antarctic Heritage Trust's conservation and maintenance of the historic huts and other heritage sites in the Ross Dependency as agreed between both parties	●	●
Ensure that at least two stakeholder outreach functions are held annually	●	●
Achieve the following media targets from engagement with the general public: · Total media exposure: 400 individual media items · Social media: Average post engagement greater than 7% · Advertising value equivalent: $8 million	●	●

● NOT ACHIEVED ● PARTIALLY ACHIEVED ● ACHIEVED

Partially achieved is defined as where ≥ 50% of the target's underlying performance metrics are achieved.

New Zealand leadership in Antarctica

Antarctica New Zealand continues to demonstrate strong leadership and influence within key international Antarctic governance and operational bodies. In line with our performance measures, we have successfully maintained leadership positions within both the Committee for Environmental Protection (CEP) and the Council of Managers of National Antarctic Programs (COMNAP).

A significant milestone was achieved when Ceisha Poirot, General Manager of Policy, Environment and Safety chaired her first CEP meeting in June/July 2025, marking the beginning of a two-year term. She was elected Chair in May 2024. This appointment reflects New Zealand's respected standing in Antarctic environmental policy and governance (more on pages 32-35). The Ministry of Foreign Affairs and Trade (MFAT) has formally acknowledged its satisfaction with New Zealand's leadership within the Antarctic Treaty System, particularly through our contributions to the CEP.

International partnerships

Antarctica New Zealand also plays a pivotal role in fostering cooperation among National Antarctic Programmes operating in the Ross Sea region. We have facilitated collaborative science programmes, policy initiatives, environmental projects, and COVID-19 risk management responses, while enhancing the coordination and scope of logistics support. We met all commitments to the United States/New Zealand joint logistics pool, as confirmed by the US National Science Foundation. This included support for the construction of a new floating barge to replace the temporary ice-pier used for annual resupply operations.

Other achievements included:

- Advanced relationships with the Korean Antarctic Program through diplomatic engagement with the Korean Ambassador and MFAT.
- Explored future collaboration opportunities with German partners – the Federal Institute for Geosciences and Natural Resources and the Alfred Wegener Institute.
- Strengthened shared logistics arrangements with the Italian Antarctic Program to support science and conservation events.
- Supported the Royal Australian Air Force in conducting two C-17 flights to Antarctica in February 2025.

These reflect our commitment to international cooperation, environmental stewardship, and operational excellence in the Ross Sea region.

Science linkages strengthened

Antarctica New Zealand achieved its target of conducting at least two significant science collaborations with the US during the season. This included work on emperor penguins at Cape Crozier and more information can be found on these collaborations on pages 26-27 and in our Science Achievements Report.

In April 2025, Antarctica New Zealand received Strategic Catalyst funding from the Ministry of Business, Innovation and Employment to advance joint research with the United States in Antarctic Sciences.

The organisation has also signed agreements with other nations to strengthen cooperation. In May 2025, Antarctica New Zealand and Khalifa University, United Arab Emirates (UAE), signed a Memorandum of Arrangement (MoA) marking the start of future collaborations in Antarctic research. Antarctica New Zealand and the Swiss Polar Institute signed a MoA to facilitate joint research in Antarctica in July 2025.

Domestic partnerships and gateway engagement

Antarctica New Zealand continues to strengthen its domestic partnerships, supporting national Antarctic objectives and enhancing Christchurch's role as a gateway city. A key performance measure was achieving ChristchurchNZ's satisfaction with the quality and timeliness of our support to its Antarctic Office. This was successfully delivered through regular engagement in strategic planning and communications, including attendance at marketing meetings and contributions to newsletters and social media content.

We played an active role in promoting Christchurch as a valued Antarctic gateway, supporting events such as the Days of Ice festival and the screening of the *Mighty Indeed* documentary. These initiatives helped raise public awareness of Christchurch's Antarctic legacy and future. We also facilitated the return of the Erebus Chalice from McMurdo Station to the Christchurch Transitional Cathedral, reinforcing the city's historical connection to Antarctica.

Antarctica New Zealand continues to support international Antarctic programmes based in Christchurch. We hosted incoming and outgoing representatives from the Korean Antarctic Program (KOPRI), whose New Zealand offices are co-located with ours and maintained active membership in the Gateway Leadership Group to contribute to the Christchurch Antarctic Gateway Strategy.

In addition to our gateway engagement, we supported cultural and heritage preservation through collaboration with Canterbury Museum. During the 2024/25 season, we hosted the Museum's Curator of Human History at Scott Base. The visit enabled the Curator to gain firsthand insight into the Ross Island environment and heritage sites, informing the development of the Museum's Antarctic collection. The Curator also assessed Scott Base buildings and surrounds to identify items of historical significance for future display, research, and heritage retention, particularly in preparation for the completion of the Scott Base Redevelopment.

These activities reflect our commitment to domestic collaboration, cultural stewardship, and the promotion of New Zealand's Antarctic identity.

Supporting the Antarctic Heritage Trust

Antarctica New Zealand provided significant support to the Antarctic Heritage Trust (AHT) with its activities at Cape Adare and on Ross Island in the 2024/25 field season. The main focus of AHT's activities at Cape Adare were safety related in preparation for future restoration work on the historic hut. The event included NZDF explosive experts undertaking an investigation of the site for unexploded munitions and explosives. Support was also provided for the AHT's restoration maintenance activities at the huts on Ross Island, at Cape Royds, Cape Evans and Hut Point.

Education, outreach and communication

Antarctica New Zealand is committed to sharing the significance of our work with the public and key stakeholders. This year, we delivered a wide range of initiatives that highlighted why New Zealand's role in Antarctica matters, both at home and internationally.

In Christchurch, more than 1,500 people of all ages joined the *Days of Ice – Explore Antarctica Family Day* at Tūranga Library, experiencing a taste of life on the ice through interactive activities. We also engaged the diplomatic community during the 2024/25 Season Opening celebrations, and hosted a gathering of our National Antarctic Programme partners at the Antarctic Campus. These activities met our performance target of holding at least two stakeholder events annually.

Performance against our media targets was partially achieved. Media exposure exceeded target with 754 items published, while social media engagement averaged 8%, above the 7% benchmark. Advertising Value Equivalent (AVE) reached $5.2 million, below the

Dr Claire Concannon interviewing Dr Sarah Seabrook for the *Voice of the Sea Ice* podcast.
Photo: Anthony Powell/Antarctica New Zealand

$8 million target but still reflecting significant reach. Antarctica New Zealand changed media monitoring providers in 2024. A different methodology of measuring AVE, along with a changing media market, suggests $8 million may not be an achievable figure for the future.

Our Community Engagement Programme continues to support New Zealand voices to tell Antarctic stories in fresh ways. Radio New Zealand's Dr Claire Concannon produced landmark podcast *Voice of the Sea Ice*, while Orchestra Wellington's Composer in Residence Victoria Kelly travelled south to develop an Antarctic-themed opera. Award-winning educators Carol Brieseman and Dianne Christenson joined research teams to create curriculum-linked resources for schools. Last season's participants Ruckus Media released the climate change documentary series *Patrick Gower: On Ice* to wide acclaim.

Ministerial and Defence visits further underlined New Zealand's commitment to Antarctic science, people and cooperation.

New Zealand Defence Force contribution

This year marked 70 years of the New Zealand Defence Force (NZDF) in Antarctica, one of its largest and longest-running deployments. Around 220 personnel supported Operation Antarctic, providing essential logistics such as air transport, terminal operations, fuel delivery, ship offloads, and expertise across engineering, cargo handling, communications and administration.

Their efforts underpin New Zealand's role in the Joint Logistics Pool (JLP), which sustains scientific research across the Ross Sea region. In 2024/25, the JLP supported 170 flights carrying 4,500 passengers and 1,043 metric tonnes of cargo, alongside major resupply operations involving two US-chartered ships and HMNZS Aotearoa, which also hosted a multidisciplinary science team.

The year also saw the retirement of the Royal New Zealand Air Force's C-130H Hercules after nearly six decades of Antarctic service, with the modern C-130J-30 fleet now ensuring continued capability. NZDF's commitment reinforces New Zealand's leadership in international Antarctic logistics.

The C-130H Hercules was retired last season.
© **Sean Spivey/NZDF**

Antarctica New Zealand's retired research station site at Lake Vanda has been affected by rising water levels.
Photo: Anthony Powell/Antarctic New Zealand

PROTECT ANTARCTIC ENVIRONMENTS
WHAKAHAUMARUTIA TE TAIAO

This output is intended to support the New Zealand Government's objective of continuing to play a leading role in managing the Antarctic environment, through understanding pressures and impacts on associated ecosystems. This includes all pressures through human activities including the effects of climate change. It identifies appropriate management and policy responses to those pressures.

This objective ensures Antarctica New Zealand's own activities are undertaken to a high standard of environmental performance and fully comply with the terms of the organisation's Environmental Impact Assessment and permit issued under the Antarctica (Environmental Protection) Act 1994. This includes the implementation stage of the project to redevelop Scott Base.

Performance is assessed by internal monitoring systems and independent assurance. The effectiveness of the services is assessed by gathered evidence, maintaining certification and feedback from the Ministry of Foreign Affairs.

PROTECT ANTARCTIC ENVIRONMENTS	2025 ACTUAL				2025 BUDGET				2024 ACTUAL
	Core Business	Scott Base Redevelopment	Antarctic Science Platform	2024/2025 Total	Core Business	Scott Base Redevelopment	Antarctic Science Platform	2024/2025 Total	2023/2024 Total
	$000	$000	$000	$000	$000	$000	$000	$000	$000
Revenue – Crown	889	–	–	889	934	–	–	934	990
Revenue – Other	36	–	–	36	33	–	–	33	43
Total Revenue	925	–	–	925	967	–	–	967	1,033
Total Expenses	925	–	–	925	967	–	–	967	1,033

PROTECT ANTARCTIC ENVIRONMENTS TARGETS

	2024/2025	2023/2024
Ensure there are no environmental incidents assessed with an impact of "moderate" (offsite spill contained with outside assistance) or more	NOT ACHIEVED	ACHIEVED
Maintain independent ISO 14001 certification for the Environmental Management System, by 30 June 2025	ACHIEVED	ACHIEVED
Ensure Antarctica New Zealand fully complies with the terms of its environmental permit to operate in Antarctica issued under the Antarctica (Environmental Protection) Act 1994*	NOT ACHIEVED	NOT ACHIEVED
To measure, set reduction targets, and prepare plans to reduce carbon emissions under the Carbon Neutral Government Programme by 1 December 2024	ACHIEVED	ACHIEVED
The Ministry of Foreign Affairs and Trade (MFAT) indicates satisfaction with the quality and timeliness of environmental advice provided, including technical advice on the permitting of activities under the Antarctic (Environmental Protection) Act 1994	ACHIEVED	ACHIEVED
To develop tools and processes to effectively track the state of the Ross Sea region environment by: a) Preparing a project plan to implement a New Zealand Antarctic Environmental Assessment report for the Ross Sea region; and b) Developing a data repository of human activity data (eg national programme and tourism) to assess human impacts on the Antarctic environment	NOT ACHIEVED	PARTIALLY ACHIEVED

Partially achieved is defined as where ≥ 50% of the target's underlying performance metrics are achieved.

NOT ACHIEVED · PARTIALLY ACHIEVED · ACHIEVED

Antarctic Treaty System Consultative Meeting and the Committee for Environmental Protection

The 47th Antarctic Treaty Consultative Meeting (ATCM) and 26th Committee for Environmental Protection (CEP) meetings were held in Milan, Italy in June/July 2025. The delegation was led by MFAT and supported by Antarctica New Zealand on strategic, operational, scientific and environmental matters. A cohort of non-officials supported.

New Zealand has a long-standing interest in peace, science, environmental protection and effective governance in Antarctica and the Southern Ocean. This year New Zealand continued to exert strong influence across the agendas of both meetings in support of strengthening the Antarctic Treaty System. The MFAT-led delegation actively contributed to advancing Antarctic environmental and governance priorities, presenting proposals and engaging in substantive discussions on tourism management, climate resilience, and strengthening conservation frameworks.

New Zealand delegation at the ATCM and CEP. Members included MFAT, ANTNZ and non-officials from partner agencies.
© MFAT

Antarctica New Zealand's GM Policy, Environment and Safety, Ceisha Poirot, was elected as Chair of the Committee in 2024 (for a two-year term, renewable for a further two years); a significant leadership role for New Zealand. Ceisha chaired the CEP meeting for the first time this year and support for her as Chair was resounding. Her work supported the constructive and collegial tone of the meeting. Ambassador to Italy, Jackie Frizelle, joined for a New Zealand-hosted reception in honour of the New Zealand Chair of the CEP.

Environmental impact

To get approval to go to Antarctica, everyone must do an Environmental Impact Assessment (EIA). In addition to this, some activities require a permit, including interfering with flora and fauna, entering a protected area and introducing a non-native species, or non-sterile soil.

Antarctica New Zealand's organisational target to operate within the terms of its own EIA and permit issued under the Antarctic (Environmental Protection) Act 1994 was not achieved due to a higher number of people entering an Antarctic Specially Protected Area (ASPA 124 Cape Crozier) than were permitted. Although the additional entries were in support of science, this happened due to a misunderstanding among the planning team regarding ASPA entries and permits. Process improvements have been implemented to mitigate against future non-compliances in ASPAs.

Environmental incidents for all programme personnel are reported through our Health, Safety and Environment (HSE) online reporting system. Reporting is actively encouraged by Antarctica New Zealand so learnings can be captured. One environmental incident was risk-assessed with an impact of "moderate", reported for the period 1 July 2024-30 June 2025. This resulted from the loss of drilling equipment to the seabed floor. Other than the two incidents mentioned above, Antarctica New Zealand fully complied with the terms of its permit.

Environmental advice

Antarctica New Zealand provides regular environmental advice to MFAT, including technical advice on the permitting of activities under the Antarctic (Environmental Protection) Act 1994. MFAT has indicated it is satisfied with the quality and timeliness of this advice.

MFAT visitor to Scott Base

To improve collaboration and improved EIA in Antarctica, Antarctica New Zealand invited the MFAT Policy Officer to Scott Base to witness our activities and operations to guide improvements to the EIA process. The visit included camping in the environment as part of field training, a field audit of a working science team and discussion with staff and visitors to understand the environmental management system processes being used in practice.

Environmental Management System/ISO Certification

Antarctica New Zealand operates an environmental management system which actions the requirements of the Protocol on Environmental Protection to the Antarctic Treaty. After its recertification audit in August 2023 the organisation maintained its independent ISO 14001 in December 2023. A review audit was held in April 2024 and a second review audit was held May 2025. There were two Minor Non-Conformances, and no Major Non-Conformances identified during this review visit. The non-conformances concerned improvements to the delivery of the organisation's induction process for new starters and ensuring that the right checklists and inspections of cargo for non-native species before shipping to Antarctica are used.

Environmental protection

Antarctica New Zealand continues to ensure that it has high environmental standards in everything it does in Antarctica. Some examples of Environmental Protection successes during the 2024/25 season include:

Highly Pathogenic Avian Influenza (HPAI)

HPAI was confirmed on the Antarctic Peninsula in the 2023/24 season and by the end of the 2024/25 season it had spread to new geographic locations in the Antarctic Treaty area, and in the Indian Ocean sub-Antarctic region. It is currently not in Australia or the South Pacific. New Zealand led a coordinated process to prepare for the potential arrival of HPAI in the Ross Sea region, working with partners in collaboration with the Council of Managers of National Antarctic Programs (COMNAP), the International Association of Antarctica Tour Operators (IAATO) and the Scientific Committee on Antarctic Research (SCAR) to coordinate their prevention, monitoring and response efforts. There were no HPAI suspected or confirmed cases in the Ross Sea region in the 2024/25 season.

The Italian Antarctic Programme undertook sampling and analysis of wildlife in advance of Antarctica New Zealand and the Antarctic Heritage Trust arriving at Cape Adare to undertake an ordnance survey of the site and conservation activities.

Lake Vanda

Following the clean-up and site restoration of a New Zealand research station at Lake Vanda (pictured on pg 32) in the McMurdo Dry Valleys during the 1990s, long-term monitoring data was reviewed. It found that the residual contamination, now submerged by rising lake levels, did not measurably affect the water quality of the lake or the biological communities that colonised the station footprint. The waters of Lake Vanda have continued to rise, and Antarctica New Zealand is planning the removal of the remaining Vanda hut in the 2025/26 season ensuring we are protecting this delicate ecosystem.

Cape Bird Visitor Site Guidelines

In consultation with other national Antarctic programmes, scientists, and the tourism industry, Antarctica New Zealand has developed draft Antarctic Treaty Visitor Site Guidelines. These aim to provide specific instructions on the conduct of activities at the Cape Bird site, which has high scientific and environmental values. The draft Site Guidelines were adopted at the 47th ATCM in Milan. This will support improved protection at this complicated site which has a long-term penguin monitoring programme. Ongoing work to better understand the impacts from helicopter operations at this site will be investigated in the 2025/26 season.

New Zealand Antarctic Environment Assessment (NZAEA)

Antarctica New Zealand continued investigations towards a new initiative to better understand and assess the state of the Ross Sea region's environment. Our organisational target to develop tools and processes to achieve this was not achieved during the year. A draft project plan for the implementation of a NZAEA was commissioned and provided to Antarctica New Zealand in October 2024. The project was subsequently resourced with a fixed-term secondee tasked with facilitating delivery of the project plan against the first three steps to implementation. The work was delivered but further work is required to develop a project plan to implement an NZAEA report. Work on developing a data repository of human activity data has not been achieved because a project plan to implement the development of a NZAEA Report had only completed the consultation phase.

Ceisha Poirot chairing the CEP meeting in Milan. © **MFAT**

Sustainability Reporting

In December 2020, the Government launched its Carbon Neutral Government Programme (CNGP). The programme's objectives are to accelerate emissions reductions across the public sector and achieve carbon neutrality. As a Crown Agent, Antarctica New Zealand is required to report under the CNGP for the first time in our 2022/23 Annual Report. On 1 December 2023, Antarctica New Zealand provided the CNGP with information needed to meet the requirements of Tranche 2 organisations.

Antarctica New Zealand has been measuring and verifying our carbon emissions since 2008/09 with Toitu carbonreduce (previously CEMARS). We set a base line year in 2015/16 following an increase in funding and have developed and are implementing an Emissions Management and Reduction Plan. The Scott Base Redevelopment project will result in a significant increase in carbon emissions in the construction of the project.

Independent verification

Antarctica New Zealand's carbon footprint is independently verified annually by the Toitū carbonreduce programme and our disclosure statements are available on the Toitu website.

Total annual carbon emissions

In 2024/25, Antarctica New Zealand emitted 3,874.94 tonnes of carbon dioxide equivalent greenhouse gases (tCO2-e) of which 3,162.6 tonnes were from mandatory reported emissions not related to the Scott Base Redevelopment project (Table 1/Figure 1).

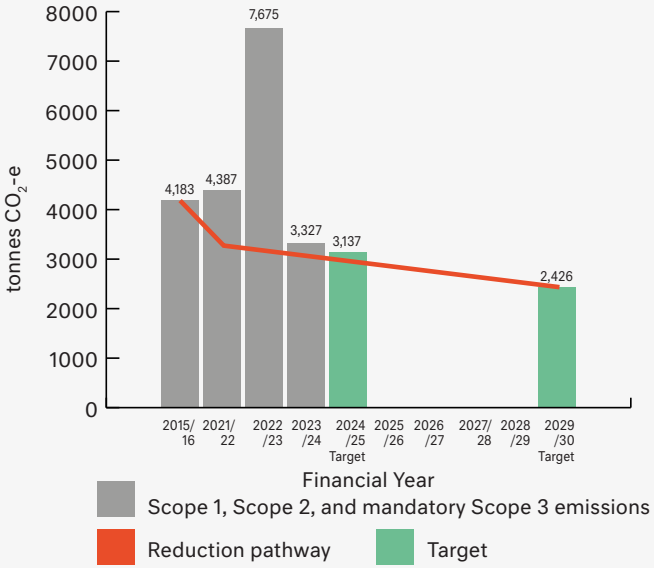
For the 2024/25 financial year, total gross emissions were reduced compared to the base year and the previous two financial years. Notably, the emissions from air cargo is 41% lower than the previous season (not including SBR passenger numbers) and long-haul business air travel is 43% lower than the previous year. Despite these reductions, the overall emissions were 13% higher than the target that was set to meet emission reductions in line with the Paris Agreement.

- These emissions results align with the Ministry for the Environment's 2025 Measuring Emissions Guidance which uses the 100-year Global Warming Potentials (GWPs) in the IPCC Fifth Assessment Report (AR5). To account for our emissions, the operational control approach has been taken to best fit our organisational activities.

Table 1: Emissions profile broken down by scope and total annual emissions (tCO2-e) by financial year

CATEGORY (ISO 14064-1:2018)	SCOPES (ISO 14064-1:2006)	2015/16	2022/23	2023/24	2024/25
Category 1: Direct emissions	Scope 1	895.17	973.13	1,103.56	1,687.23
Category 2: Indirect emissions from imported energy (location-based method)	Scope 2	34.13	25.62	25.29	30.59
Category 3: Indirect emissions from transportation	Scope 3	6,712.69	9,341.89	2,708.32	1,968.17
Category 4: Indirect emissions from products used by organisation		4.57	244.63	305.38	188.95
Category 5: Indirect emissions associated with the use of products from the organisation		0.00	0.00	0.00	0.00
Category 6: Indirect emissions from other sources		0.00	0.00	0.00	0.00
Total direct emissions		**895.17**	**973.13**	**1,103.56**	**1,687.23**
Total indirect emissions		**6,751.38**	**9,612.15**	**3,038.99**	**2,187.71**
Total gross emissions		**7,646.55**	**10,585.28**	**4,142.54**	**3,874.94**
Category 1 direct removals		0.00	0.00	0.00	0.00
Purchased emission reductions		0.00	0.00	0.00	0.00
Total net emissions		**7,646.55**	**10,585.28**	**4,142.54**	**3,874.94**

Figure 1: Emission targets, progress and reduction pathway (excluding SBR project emissions).



Emission intensity by FTE and expenditure

Since the 2015/16 baseline, Antarctica New Zealand has experienced a growth in expenditure and full time equivalent employees. Despite this, we have seen an overall reduction in total gross emissions per FTE and per million dollars of expenditure (Table 3).

Our reduction targets

- 2025 Target: Reduce total Scope 1, Scope 2 and mandatory Scope 3 emissions by 25% against 2015/16 baseline, excluding the emissions from the Scott Base Redevelopment project
- 2030 Target: Reduce total Scope 1, Scope 2 and mandatory Scope 3 emissions by 42% against 2015/16 baseline by 2030

Table 2: Total emissions breakdown by emission source (top 10) for 2024/25

ACTIVITY	2024/25	%
Sea freight cargo movements (marine fuel oil)	1,369.51	35%
Scott Base AN8 (generators and vehicle use)	815.73	21%
Intercontinental Pax & Cargo	546.31	14%
Intracontinental helo & fixed wing	339.16	9%
Employee Commuting	168.9	2%
Traverse fuel AN8	81.58	2%
New Zealand Accommodation	72.27	2%
Scott Base food - Meat	69.60	2%
SBR Vehicle usage	64.35	2%
Business Air travel long haul (excluding SBR & ASP)	48.84	1%

Antarctica New Zealand set science-aligned targets in support of the 1.5 degree pathway required under the Carbon Neutral Government Programme (Figure 1). The target for 2025 was for Scope 1, 2 and mandatory Scope 3 emissions (excluding those attributed to the SBR project) to be 25% of those mandatory emissions in the base year. Antarctica New Zealand is pleased to report that this target was almost reached with a reduction of 24.19%.

With the Scott Base Redevelopment project, gross emissions will continue to increase and work is underway to improve the data collection so that the emissions from this project can be directly attributed to it. However, as the project is not delivering a whole new base, but now includes upgrades to the existing base, there will be challenges in doing this.

Table 3: KPIs for FTEs and expenditure by financial year.

ACTIVITY	2015/16	2022/23	2023/24	2024/25
KPI				
FTE	48	90	96	81
Expenditure ($M)	17.59	37.60	51.15	47.41
Emissions Intensity				
Total gross emissions per FTE in tCO2-e	159.60	117.60	43.15	47.84
Total gross emissions per million dollars of expenditure in tCO2-e	435.51	281.56	80.99	81.73

Once the first phase of the project is complete, we expect gross emissions to fall in line with the 2030 target.

Progress towards our targets

Antarctica New Zealand nearly achieved the 2025 target. For the 2025/26 financial year through to 2029/30 there will be an updated Emissions Management and Reduction Plan which, if followed, will enable the organisation to meet the 2030 target.

Importantly, by 2030 the new wind farm will be operational which will generate triple the amount of renewable energy. As the base transitions towards electric components, this will reduce the demand on fossil fuels reducing the emissions from Scott Base generators.

Our reduction plan and future reporting

To achieve our reduction targets, despite the construction project and the wider impacts that has on business as usual activities, we have continued to implement the Emissions Management and Reduction Plan which includes initiatives such as

- Develop a fossil fuel free field camp by 2030
- Transition the vehicle fleet to electric vehicles by 2025 (where practicable)
- Sending zero non-hazardous waste to landfill by 2030

In the coming financial year, we will work with the science community to provide carbon footprints for the logistical support provided to each event.

Our People

Antarctica New Zealand is committed to advancing New Zealand's scientific research, environmental stewardship, and strategic interests in Antarctica. These achievements are driven by the expertise and dedication of our team, which includes permanent and fixed-term employees, contractors, and secondees from the New Zealand Defence Force and partner organisations.

Supporting Organisational Adaptability

Operating in a dynamic and often unpredictable environment requires agility, foresight, and a commitment to continuous improvement. In 2024/25, the organisation initiated a comprehensive restructure process, commencing in Q4 2025. This strategic shift was designed to enhance operational efficiency, streamline decision-making, and better align resources with evolving priorities. The restructure was informed by robust strategic input, ensuring that the organisational realignment was not only responsive to external pressures but also positioned to support long-term sustainability and innovation.

Resourcing

To meet the demands of seasonal operations and maintain excellence in service delivery, a nationwide recruitment campaign was launched in February. The campaign, which featured prominently in national media outlets, attracted a remarkable pool of high-calibre applicants for roles at Scott Base. This influx of talent reflects the organisation's strengthened public profile and its ability to engage a diverse and skilled workforce. The success of the campaign underscores the importance of proactive resourcing strategies in supporting adaptability and operational readiness in remote and challenging environments.

Diversity, Equity and Inclusion

We are committed to cultivating an inclusive culture where everyone feels welcomed, valued, and respected—regardless of background, identity, or personal characteristics. Active Bystander training was delivered across our teams, reinforcing behavioural standards and equipping participants with tools to safely intervene when witnessing inappropriate conduct. Our leadership teams also benefited from mentoring with a High Performance Leadership strategist to further embed inclusive leadership practices.

Culture and Leadership on Ice

Feedback from the 2024 Antarctic season highlighted a psychologically safe and harassment-free environment. The continuation of the Summer Base Leader role, introduced in 2023, has strengthened operational efficiency and enhanced the overall experience for team members. The 2024 winter season was notably positive, with strong team cohesion and successful completion of the winter maintenance schedule. The leadership team during this period brought extensive on-ice experience, contributing to a productive and supportive environment.

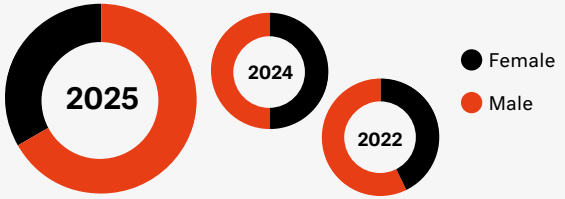
Workforce Profile

The adjacent graphs detail our workforce demographics, including year-on-year comparisons and breakdowns of gender, ethnicity and age.

Workplace Profile

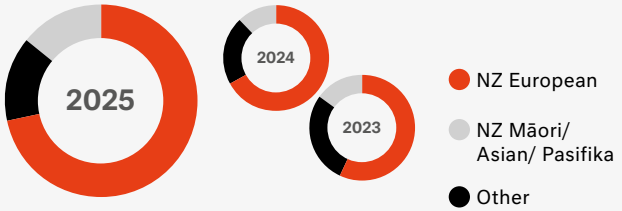
At 30 June 2025, New Zealand's Antarctic Programme is made up of the following employees

Senior Leadership Team Gender Diversity

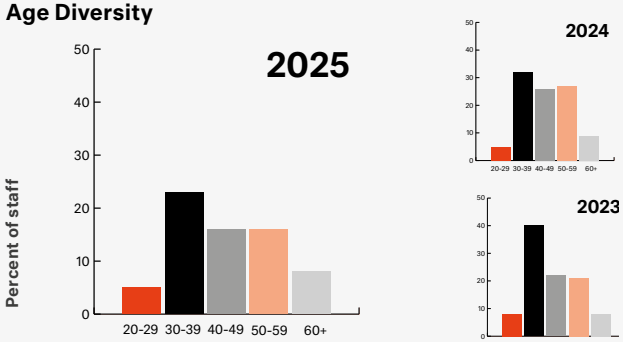


Within current staff no one has identified as having a disability. Our people experience an even more diverse workplace through our close working relationships with the New Zealand Defence Force seconded staff at Scott Base and our collaborations with other National Antarctic Programmes, in particular those of the United States, Italy, Korea and China.

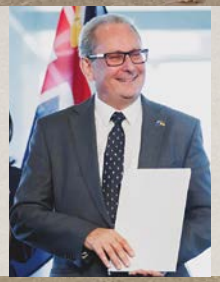
Ethnic Diversity



Age Diversity



MILESTONES AND HIGHLIGHTS



Retirement of Peter Smith (GM Corporate Services) after 21 years service

Paul “Woody” Woodgate received a Public Service Award at the Spirit of Service Awards

FINANCIAL STATEMENTS

Statement of Responsibility for the year ended 30 June 2025

Antarctica New Zealand is the trading name of the New Zealand Antarctic Institute (NZAI), a Crown Entity as defined by the Crown Entities Act 2004.

The NZAI Board (the 'Board') is responsible for the preparation of the Annual Financial Statements and Statement of Performance, and for the judgements used in them.

This includes responsibility for any end-of-year performance information provided by NZAI, under section 19A of the Public Finance Act 1989, whether or not that information is included in this annual report.

The Board is also responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Board, the Annual Financial Statements and Statement of Performance for the year ended 30 June 2025 fairly reflect the financial position and operations of NZAI.

Signed on behalf of the NZAI Board:

Leon Grice
Board Chair
08 October 2025

Keiran Horne
Audit & Risk Committee Chair
08 October 2025

Scott Base. © **Anthony Powell/Antarctic New Zealand**

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF NEW ZEALAND ANTARCTIC INSTITUTE'S ANNUAL FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2025

The Auditor-General is the auditor of New Zealand Antarctic Institute (the entity). The Auditor-General has appointed me, Peter Taylor, using the staff and resources of KPMG, to carry out, on his behalf, the audit of:

- • the annual financial statements that comprise the statement of financial position as at 30 June 2025, the statement of comprehensive revenue and expenses, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information on pages 44 to 69;
- the performance information that consists of:
  - o the statement of performance for the year ended 30 June 2025 on pages 9 to 35; and
  - o the end-of-year performance information for appropriations for the year ended 30 June 2025 on page 9.

Opinion

In our opinion:

- The annual financial statements of the entity:
  - o fairly present, in all material respects:
    - its financial position as at 30 June 2025; and
    - its financial performance and cash flows for the year then ended; and
  - o comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- The statement of performance fairly presents, in all material respects, the entity's service performance for the year ended 30 June 2025. In particular, the statement of performance:
  - o provides an appropriate and meaningful basis to enable readers to assess the actual performance of the entity for each class of reportable outputs; determined in accordance with generally accepted accounting practice in New Zealand; and
  - o fairly presents, in all material respects, for each class of reportable outputs:
    - the actual performance of the entity;
    - the actual revenue earned; and
    - the output expenses incurred

  as compared with the forecast standards of performance, the expected revenues, and the proposed output expenses included in the entity's statement of performance expectations for the financial year; and
  - o complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- The end-of-year performance information for appropriations:
  - o provides an appropriate and meaningful basis to enable readers to assess what has been achieved with the appropriation; determined in accordance with generally accepted accounting practice in New Zealand; and
  - o fairly presents, in all material respects:
    - what has been achieved with the appropriation; and
    - the actual expenses or capital expenditure incurred in relation to the appropriation as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred; and
  - o complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.

Our audit was completed on 8 October 2025. This is date at which our opinion is expressed.

Emphasis of matter – Financial implications of the Scott Base Redevelopment project design reset

Without modifying our opinion, we draw attention to note 11 on page 61 of the financial statements, which outlines that an impairment loss has been recognised due to the Scott Base Redevelopment project design reset.

The final design of the project reset is expected to be confirmed and approved within the next financial year. Estimating the impairment loss requires a high degree of judgement about the enduring benefit of costs incurred to date and their relevance to the project. The financial implications of the project reset are therefore uncertain and could be materially different within the next financial year.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): *The Audit of Service Performance Information*

issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Board of Directors for the annual financial statements and the performance information

The Board of Directors are responsible on behalf of the entity for preparing:

- Annual financial statements that fairly present the entity's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand.
- A statement of performance that:
  - o provides an appropriate and meaningful basis to enable readers to assess the actual performance of the entity for each class of reportable outputs; determined in accordance with generally accepted accounting practice in New Zealand;
  - o fairly presents, for each class of reportable outputs:
    - the actual performance of the entity;
    - the actual revenue earned; and
    - the output expenses incurred

    as compared with the forecast standards of performance, the expected revenues, and the proposed output expenses included in the entity's statement of performance expectations for the financial year; and
  - o complies with generally accepted accounting practice in New Zealand.
- End-of-year performance information for appropriations that:
  - o provides an appropriate and meaningful basis to enable readers to assess what has been achieved with the appropriation; determined in accordance with generally accepted accounting practice in New Zealand;
  - o fairly presents what has been achieved with the appropriation;
  - o fairly presents the actual expenses or capital expenditure incurred in relation to the appropriation as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred; and
  - o complies with generally accepted accounting practice in New Zealand.

The Board of Directors are responsible for such internal control as they determine is necessary to enable them to prepare annual financial statements, a statement of performance, and the end-of-year performance information for appropriations that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, the Board of Directors are responsible on behalf of the entity for assessing the entity's ability to continue as a going concern.

The Board of Directors responsibilities arise from the Crown Entities Act 2004, the Public Finance Act 1989 and the New Zealand Antarctic Institute Act 1996.

Responsibilities of the auditor for the audit of the annual financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations.

For the budget information reported in the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, our procedures were limited to checking that the information agreed to the entity's statement of performance expectations or to the Estimates of Appropriations for the Government of New Zealand for the Year Ending 30 June 2025.

We did not evaluate the security and controls over the electronic publication of the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion,

forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We evaluate whether the statement of performance and the end-of-year performance information for appropriations:
  - o provide an appropriate and meaningful basis to enable readers to assess the actual performance of the entity in relation to the actual performance of the entity (for the statement of performance) and what has been achieved with the appropriation by the entity (for the end-of-year performance information for appropriations). We make our evaluation by reference to generally accepted accounting practice in New Zealand; and
  - o fairly present the actual performance of the entity and what has been achieved with the appropriation by the entity for the financial year.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors.
- We evaluate the overall presentation, structure and content of the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, including the disclosures, and whether the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Directors are responsible for the other information. The other information comprises the information included on pages 4-8, 14, 16, 20, 23, 26-28, 32, 36-40 and 70-72 but does not include the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, and our auditor's report thereon.

Our opinion on the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the entity in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests in, the entity.

Peter Taylor
KPMG
On behalf of the Auditor-General
Christchurch, New Zealand

INTRODUCTION TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

This introduction provides background and context to the New Zealand Antarctic Institute's (NZAI) recent financial performance and current financial position.

Overview

NZAI has three separately funded business streams:

- Core Business – conducting NZAI's principal functions under the New Zealand Antarctic Institute Act 1996, funded by government appropriation.
- Scott Base Redevelopment (SBR) – a capital investment project to redevelop Scott Base including its associated wind farm, funded by one-off government project funding.
- Antarctic Science Platform (ASP) – a Strategic Science Investment Fund to provide a stable funding environment for Antarctic research, funded under contract with the Ministry of Business, Innovation and Employment (MBIE).

A summary statement of financial performance and current financial position by funding stream is provided in Note 21 to the financial statements.

The project nature and scale of the Scott Base Redevelopment relative to the other funded business streams leads to some significant variances between years in NZAI's financial statements. Explanations for these between 2025 and 2024 are provided below.

Revenue

In 2025 NZAI's Crown Revenue decreased by $8.0 million compared to 2024. $7.9 million of the decrease was due to operational funding for the SBR project now being held in a tagged contingency, with the last payment received October 2024.

Core Business Crown Revenue was reduced by $0.6 million as a result of funding cuts. This was partly offset by new non-operational funding received from MFAT of $0.5 million for a contribution to participation in Science Cooperation Arrangements with other National Antarctic Programmes. Additional Grant Revenue of $0.5 million was also received by Core Business for strategic investment in a newly created joint Antarctic Research Programme with the United States.

The ASP funding from MBIE decreased by $0.7 million. This financial year was the final year of Phase 1 of The Platform, therefore funding received was the remainder of the total of Phase 1 funding of $49 million, which was received over the previous seven years.

Interest income decreased by $3.2 million ($3.0 million of this decrease is within the SBR project) compared to 2024. This was the result of lower interest rates and a reduced balance of cash on hand following the repayment of $89.4 million of unspent SBR project capital funding at the end of the 2024 year.

Expenditure

Overall expenditure was $50.5 million in 2025, a decrease of $34.8 million over the previous year. This was largely due to the SBR project with a decrease of $34.4 million and a Core Business decrease of $1.4 million compared to the prior year. This was partially offset by increased expenditure within the ASP ($1.0 million) compared to the prior year.

SBR project related decreases in costs over 2024 levels included;

- an additional $3.3 million of impairment costs have been incurred this year (against $22.7 million in 2024). The additional impairment was recognised as a result of the alternative design approach adopted to bring the project within budget;
- the 2024 provision for onerous contracts of $11.4 million was the result of adopting the alternative design approach and alternative project methodology to bring the project within budget. An improved outcome in settling these contracts has resulted in a gain of $0.3 million in 2025;
- a lower capital charge based on the reduced net assets as a result of returning unspent crown capital funding as noted above (decrease of $0.4 million);
- decreased personnel costs as a result of these costs a move to an outsourced resource model in the SBR project (decrease of $0.7 million) .
- decreased operating expenses as a result of selection of a preferred design in December 2024 and capitalisation of design costs from that point on (decrease of $3.0 million)

Partially offsetting this was increased depreciation on property plant and equipment acquired (increase of $0.8 million);

Core Business expenditure was lower in 2025 with the removal of a fixed-wing charter aircraft (replaced by the use of other National Antarctic Programme fixed-wing resources on ice), reduced spend on digital technology improvements and reduced accelerated depreciation expense with the proposed retention of the Hillary Field Centre under the alternative Scott Base Redevelopment design approach.

The ASP funded research grants increased by $0.7 million as a result of delayed contracting in the prior year and operating expenditure increased by $0.3 million as a result of set up costs for Phase 2 of the ASP.

Net Operating Result

Overall NZAI reported a net operating deficit of $9.6 million in 2025 compared to a $33.2 million deficit in 2024 for the reasons noted above.

Changes in Equity

Overall NZAI's total equity increased by $12.4 million during 2025. The net operating deficit of $9.6 million noted above was offset against a Crown capital contribution of $22.0 million to fund SBR project capital investment.

Cash and Investments

- Cash Flow

Net cash outflows from operating activities increased by $11.5 million to ($12.7) million in 2025 as a result of reduced Crown revenue & increased payments to suppliers.

Net cash outflows from investing activities (excluding the impact of cash flows associated with term deposits with maturities less than 12 months) reduced by $0.5 million due to reduced capital investment for the year in the SBR project assets. This was partially offset by less interest income received due to reduced cash balances.

Net cash inflows from financing activities decreased by $40.0 million to $22.0 million reflecting the reduction in the Crown's capital contribution to fund its capital investment for the year in the SBR project assets.

- Cash and Short-Term Investments

Total cash and short-term investments have decreased by $14.0 million to $69.5 million predominantly as a result of utilising reserves carried forward to fund the SBR project.

Capital Expenditure

Capital expenditure of $29.1 million in 2025 was $1.4 million higher than the previous year as a result of the SBR project moving out of the pause and reset phase and into redesign of a preferred option.

Budget Variances

An explanation of significant variances to NZAI's 2025 budget is provided in Note 22 to the financial statements.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES
for the year ended 30 June 2025

	Note	NZAI 2025 Actual $000	NZAI 2025 Budget $000	NZAI 2024 Actual $000
Revenue from non-exchange transactions				
Crown revenue	2	27,436	26,936	35,466
Grant revenue	2	7,650	7,099	7,821
Other non-exchange revenue		11	61	10
		35,097	**34,096**	**43,297**
Revenue from exchange transactions				
Interest revenue		4,601	1,544	7,794
Other operating revenue		943	812	937
Finance income		168	–	–
Net gain/(loss) on sale of property, plant & equipment	11	3	–	21
		5,715	**2,356**	**8,752**
Total revenue		**40,812**	**36,452**	**52,049**
Expenditure				
Personnel costs	3	9,831	9,648	9,927
Operating expenses	4	15,618	16,459	19,316
Research grants	5	6,949	6,627	6,231
Crown capital charge	6	8,727	9,272	9,256
Finance costs		27	–	119
Depreciation and amortisation expense	11/12	6,256	6,225	6,297
Impairment	11	3,376	–	22,693
Onerous contracts	11/15	(325)		11,395
Total expenditure		**50,459**	**48,231**	**85,234**
Net operating (deficit)/surplus	7	**(9,647)**	**(11,779)**	**(33,185)**
Other comprehensive revenue and expenses		-	–	–
Total comprehensive revenue and expenses for the year	7	**(9,647)**	**(11,779)**	**(33,185)**

A breakdown of the items included above by separately funded business stream is detailed in Note 21 and explanations of significant variances against budget are detailed in Note 22.

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2025

	Note	NZAI 2025 Actual $000	NZAI 2025 Budget $000	NZAI 2024 Actual $000
Balance at 1 July		164,499	194,712	135,684
Total comprehensive revenue and expenses		(9,647)	(11,779)	(33,185)
Crown capital contribution	7	22,000	22,000	62,000
Balance at 30 June	7	**176,852**	**204,933**	**164,499**

A breakdown of the items included above by separately funded business stream is detailed in Note 21 and explanations of significant variances against budget are detailed in Note 22.

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
as at 30 June 2025

	Note	NZAI 2025 Actual $000	NZAI 2025 Budget $000	NZAI 2024 Actual $000
Equity				
Taxpayers' funds	7	173,852	201,933	161,499
Other reserves	7	3,000	3,000	3,000
Total equity		**176,852**	**204,933**	**164,499**
Represented by:				
Current assets				
Cash and cash equivalents	8	24,755	11,293	33,754
Debtors and other receivables	9	1,055	785	1,736
Investments	10	44,747	29,300	49,750
Prepayments		473	249	409
Derivative financial instruments	17	53	–	(116)
Total current assets		**71,083**	**41,627**	**85,533**
Non-current assets				
Property, plant and equipment	11	114,730	167,071	95,490
Intangible assets	12	364	268	188
Total non-current assets		**115,094**	**167,339**	**95,678**
Total assets		**186,177**	**208,966**	**181,211**
Current liabilities				
Creditors and other payables	13	5,770	3,062	4,479
Employee entitlements	14	743	971	838
Provisions	15	2,812	–	10,242
Total current liabilities		**9,325**	**4,033**	**15,559**
Non-current liabilities				
Provisions	15	–	–	1,153
Total non-current liabilities		**–**	**–**	**1,153**
Total liabilities		**9,325**	**4,033**	**16,712**
Net assets		**176,852**	**204,933**	**164,499**

A breakdown of the items included above by separately funded business stream is detailed in Note 21 and explanations of significant variances against budget are detailed in Note 22.

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
for the year ended 30 June 2025

	Note	NZAI 2025 Actual $000	NZAI 2025 Budget $000	NZAI 2024 Actual $000
Cash flows from operating activities				
Cash was provided from:				
Receipts from Crown revenue		27,436	26,936	35,466
Receipts from other revenue (exchange transactions)		1,805	785	270
Receipts from other revenue (non-exchange transactions)		7,661	7,161	7,822
Total receipts		**36,902**	**34,882**	**43,558**
Cash was applied to:				
Payments to suppliers		(23,712)	(23,204)	(18,492)
Payments to grant recipients		(7,367)	(6,627)	(7,008)
Payments to employees		(9,657)	(9,619)	(10,001)
Payments for Crown capital charge		(8,727)	(9,272)	(9,256)
Goods and services tax (net)		(175)	-	(76)
Total payments		**(49,638)**	**(48,722)**	**(44,833)**
Net cash from operating activities		**(12,736)**	**(13,840)**	**(1,275)**
Cash flows from investing activities				
Cash was provided from:				
Receipts from sale of property, plant and equipment		17	-	113
Transfer from Term Deposit		5,002	-	-
Interest received		4,681	1,544	7,305
Total receipts		**9,700**	**1,544**	**7,418**
Cash was applied to:				
Purchase of property, plant and equipment		(27,652)	(22,282)	(31,111)
Purchase of intangible assets		(311)	(100)	(33)
Transfer to Term Deposit		-	(1,000)	(26,450)
Total payments		**(27,963)**	**(23,382)**	**(57,594)**
Net cash from investing activities		**(18,263)**	**(21,838)**	**(50,176)**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS *continued*

for the year ended 30 June 2025

	Note	NZAI 2025 Actual $000	NZAI 2025 Budget $000	NZAI 2024 Actual $000
Cash flows from financing activities				
Cash was provided from:				
Crown capital contribution - SBR project	7	22,000	22,000	62,000
Net cash from financing activities		**22,000**	**22,000**	**62,000**
Net increase/(decrease) in cash and cash equivalents		(8,999)	(13,678)	10,549
Cash and cash equivalents at the beginning of the period		33,754	24,971	23,205
Cash and cash equivalents at the end of the period	8	**24,755**	**11,293**	**33,754**

The GST (net) component of operating activities reflects the net GST paid to and received from the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

Explanations of significant variances against budget are detailed in Note 22.

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS *continued*

for the year ended 30 June 2025

	NZAI 2025 Actual $000	NZAI 2024 Actual $000
Reconciliation of surplus/(deficit) to net cash flow from operating activities		
(Deficit)/surplus	**(9,647)**	**(33,185)**
Add/(less) non-cash items:		
Depreciation and amortisation expense	6,256	6,297
Impairment	3,376	22,693
Total non-cash Items	**9,632**	**28,990**
Add/(less) items classified as investing or financing activities:		
Loss/(gain) on disposal of property, plant and equipment	(3)	(21)
Interest received	(4,680)	(7,305)
Total items classified as investing or financing activities	**(4,683)**	**(7,326)**
Add/(less) movements in statement of financial position items:		
Debtors and other receivables	682	(1,130)
Prepayments	(64)	(39)
Creditors and other payables	22	94
Provisions	(8,583)	11,395
Employee entitlements	(95)	(74)
Net movements in working capital items	**(8,038)**	**10,246**
Net cash from operating activities	**(12,736)**	**(1,275)**

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2025

NOTE 1 Statement of accounting policies

REPORTING ENTITY
Antarctica New Zealand is the trading name of the New Zealand Antarctic Institute (NZAI), a Crown Entity as defined by the Crown Entities Act 2004. NZAI is domiciled in New Zealand and operates in New Zealand as well as Antarctica and the Southern Ocean. NZAI's ultimate parent is the New Zealand Crown.

NZAI is responsible for developing, managing and executing New Zealand Government activities in Antarctica and the Southern Ocean, in particular the Ross Dependency.

NZAI's operations are made up of three distinct activities; Antarctica New Zealand's Core Business, Scott Base Redevelopment Project (SBR) and the Antarctic Science Platform (ASP). Further detail on the results of each activity, its funding stream and associated costs has been provided in Note 21 of this annual report.

NZAI was established by the New Zealand Antarctic Institute Act 1996.

NZAI is a Public Benefit Entity (PBE) and the financial statements and service performance information have been prepared in accordance with PBE standards.

The financial statements for NZAI are for the year ended 30 June 2025, and were approved by the Board on 08 October 2025.

BASIS OF PREPARATION
The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the year.

Statement of compliance
The financial statements of NZAI have been prepared in accordance with the Crown Entities Act 2004, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP). The measurement base applied is historical cost except where otherwise identified.

NZAI is a Tier 1 reporting entity as it has total expenditure greater than $33 million in the two preceding reporting periods. The financial statements comply with the PBE Accounting Standards as appropriate for Tier 1 Public Benefit Entities.

Presentation currency and rounding
The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars ($000) unless otherwise stated.

New Accounting standards and amendments adopted in the current year
There are no standards or amendments issued that are relevant to NZAI and adopted in the current year.

Accounting Standards and Interpretations issued but not yet effective
2024 Omnibus Amendments to PBE Standards
The amendments to PPBE IPSAS 1 provide further guidance on the current/non-current distinction in the Statement of Financial Position. Applications of the amendments are required for accounting periods beginning on or after 1 January 2026. The amendments have not been early adopted.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Foreign currency transactions
Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into NZ dollars (the functional currency) using the spot exchange rates at the dates of the transactions. 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 net operating surplus or deficit for the year.

Goods and Services Tax (GST)
All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax then 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 an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax
NZAI is a public authority for the purposes of income tax legislation and is exempt from income tax.

Budget figures
The budget figures are derived from the statement of performance expectations as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.
Budget figures are unaudited.

Critical accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with PBE IPSAS requires judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenue and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The most significant judgements, estimates and assumptions made this financial year relate to the SBR project (refer Note 11).

Judgements

Management has exercised the following critical judgements in applying accounting policies:

- when recognising contributions, sponsorship, grants or donation revenue to determine if conditions of these revenue items have been satisfied. This judgement will be based on the facts and circumstances that are evident for each agreement (refer Note 2).
- when determining if Cloud Computing costs incurred meet the definition of a SaaS arrangement.
- when distinguishing between capital expenditure and operating expenditure incurred on the Scott Base Redevelopment project. Expenditure that is a necessary part of the construction process and is directly attributable to the cost of the asset is recognised as capital expenditure. Expenditure that does not meet this criteria is recognised as operating expenditure (refer Notes 11, 15 and 21).

Estimates and assumptions

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- assessing the useful lives and residual value estimates of property, plant and equipment (refer Note 11).
- assessing impairment of all assets (refer Notes 11 and 12).
- assessing the useful lives of software assets (refer Note 12).
- recognition and measurement of provisions: key assumptions about the likelihood and magnitude of an outflow of resources (refer Notes 11 and 15).
- assessing the potential obligation associated with decommissioning and restoring the existing Scott Base and estimating the salvage value of assets (refer Note 18 and 19).

Comparatives

When presentation or classification of items in the financial statements is amended or accounting policies are changed voluntarily, comparative figures are re-stated to ensure consistency with the current period unless it is impracticable to do so.

NOTE 2 Revenue

Accounting policy

Revenue is recognised to the extent that it is probable that the economic benefit will flow to NZAI, and revenue can be reliably measured. Revenue is measured when earned at the fair value of consideration received or receivable. NZAI classifies its revenue into exchange and non–exchange transactions. The following specific recognition criteria must be met before revenue is recognised:

Revenue from non-exchange transactions

Non-exchange transactions arise where an entity receives value from another entity without giving approximately equal value in exchange (e.g. grants, donations, gifts and pledges).

Revenue from the Crown

NZAI is primarily funded through revenue received from the Crown, which is restricted in its use for the purpose of NZAI meeting its objectives as specified in the Statement of Intent.

Revenue from the Crown is recognised as revenue and is reported in the financial period to which it relates.

	NZAI 2025 Actual $000	NZAI 2024 Actual $000
Crown revenue comprise the following:		
Crown revenue – operational	20,936	21,566
Crown revenue – other	500	-
Crown revenue - SBR project (Note 21)	6,000	13,900
Total Crown revenue	**27,436**	**35,466**

Grants

Grants are classified as non-exchange revenue due to their nature and are recognised as revenue at the point of entitlement. The fair value of grants has been determined to be equivalent to the amounts due in the funding arrangements.

These revenues are recognised when the conditions attached to the grant have been complied with. Where there are unfulfilled conditions attached to the revenue, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled.

	NZAI 2025 Actual $000	NZAI 2024 Actual $000
Antarctic Science Platform funding	7,099	7,770
MBIE Strategic Catalyst funding	500	-
MBIE Strategic Investment funding	51	51
Total grant revenue (Note 21)	**7,650**	**7,821**

The grant revenue funding received from MBIE to date has been recognised as income, on the basis that whilst the funding is subject to certain conditions, NZAI has fulfilled these conditions to MBIE's satisfaction as at balance date.

Revenue from exchange transactions

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services or use of assets) to another entity in exchange. Examples of exchange transactions are the purchase or sales of goods or services or the lease of equipment at market rates.

Interest

Interest revenue is recognised using the effective interest rate method.

Provision of services

Revenue derived through the provision of services to third parties is recognised when earned and is reported in the financial period to which it relates.

NOTE 3 Personnel costs

Accounting policy

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services.

Superannuation schemes

Obligations for contributions to Kiwisaver and the Government Superannuation Fund are accounted for as defined contribution superannuation schemes and recognised as an expense in the net operating surplus or deficit as incurred.

	NZAI 2025 Actual $000	NZAI 2024 Actual $000
Salaries and wages - Christchurch	7,130	7,452
Salaries and wages - Scott Base	2,528	2,284
Defined contribution plan employer contributions	268	265
Increase/(decrease) in employee entitlements	(95)	(74)
Total personnel costs (Note 21)	**9,831**	**9,927**

NOTE 4 Operating expenses

	NZAI 2025 Actual $000	NZAI 2024 Actual $000
Remuneration of auditor:		
- Audit fees for financial statements audit	104	85
- Fees for assurance and other services	–	–
Directors' remuneration	95	74
Rental and operating lease costs	1,190	1,279
Helicopter and fixed wing aircraft charter in Antarctica	1,112	2,132
New Zealand Defence Force flight charges	273	135
Fuel consumed in Antarctica	748	903
New Zealand air traffic and airport charges	554	422
New Zealand Defence Force accommodation and allowances	1,797	1,416
Data link between New Zealand and Antarctica	589	612
Equipment maintenance	448	339
Software maintenance	627	544
Digital technology	457	939
Logistics support provided by the Italian National Antarctic Programme	589	565
Scott Base Redevelopment project (Note 21)	2,710	5,708
Antarctic Science Platform expenditure (Note 21)	1,100	807
Other operating expenses	3,225	3,356
Total operating expenses	**15,618**	**19,316**

Explanations of significant variances against budget are detailed in Note 22.

NOTE 5 Research grants

Accounting policy

The research grants expenditure is recognised as an expense following receipt of an invoice in accordance with the terms of the funding agreements providing that any conditions associated with the grant as at balance date have been fulfilled to NZAI's satisfaction.

	NZAI 2025 Actual $000	NZAI 2024 Actual $000
Antarctic Science Platform (ASP) - research grants	6,949	6,231
Total research grants (Note 21)	**6,949**	**6,231**

NOTE 6 Crown capital charge

Accounting policy

The capital charge is expensed in the financial year to which the charge relates.

NZAI pays a capital charge to the Crown on its taxpayers' funds as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2025 was 5% (2024 - 5%).

	NZAI 2025 Actual $000	NZAI 2024 Actual $000
Crown capital charge	8,727	9,256
Total Crown capital charge (Note 21)	**8,727**	**9,256**

NOTE 7 Equity

Accounting policy

Equity

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- Taxpayers' Funds
- Other Reserves

Taxpayers' Funds

This relates to NZAI's accumulated net operating surplus or deficit since its formation, adjusted for transfers to/from specific reserves.

Other Reserves

This $3 million reserve comprises the Intercontinental Flight Reserve being funding provided by the Crown to NZAI for intercontinental flights between New Zealand and Antarctica. Unused funds have been carried over for similar use in future years.

Capital management

NZAI's capital is its equity, which comprises accumulated general funds and restricted reserves. Equity is represented by net assets.

NZAI is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions in relation to borrowings, acquisition of securities, issuing of guarantees and indemnities, and the use of derivatives.

NZAI has complied with the financial management requirements of the Crown Entities Act 2004 during the year.

NZAI manages its equity as a consequence of prudently managing revenues, expenses, assets, liabilities, investments, and general financial dealings to ensure that NZAI effectively achieves its objectives and purpose, while remaining a going concern.

		NZAI 2025 Actual $000	NZAI 2024 Actual $000
Taxpayers' funds			
Balance at 1 July		161,499	132,684
Net deficit for the year		(9,647)	(33,185)
Crown capital contribution - SBR project		22,000	62,000
Balance at 30 June		**173,852**	**161,499**
Other reserves			
Intercontinental flight reserve			
Balance at 1 July	3,000	3,000	
Transfer from/(to) Taxpayers' funds		-	-
Balance at 30 June		**3,000**	**3,000**
Total equity at 30 June		**176,852**	**164,499**
Total equity by separately funded business stream (Note 21):			
Core Business		29,661	30,604
Scott Base Redevelopment		147,166	132,682
Antarctic Science Platform		25	1,213
Total equity at 30 June (Note 21)		**176,852**	**164,499**

NOTE 8 Cash and cash equivalents

Accounting policy

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term, highly liquid investments, with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

	NZAI 2025 Actual $000	NZAI 2024 Actual $000
Cash on hand and at bank	24,755	33,754
Total cash and cash equivalents	**24,755**	**33,754**
Total cash and cash equivalents by separately funded business stream (Note 21):		
Core Business	8,816	2,401
Scott Base Redevelopment	14,974	28,635
Antarctic Science Platform	965	2,718
Total cash and cash equivalents (Note 21)	**24,755**	**33,754**

Although cash and cash equivalents at 30 June 2025 are subject to the expected credit loss requirements of PBE IPSAS 41, no loss allowance has been recognised because the estimated allowance is trivial.

The carrying value of short term deposits with maturity dates of three months or less approximates their fair value.

Funds held by a separately funded business stream are restricted for use by that business stream.

NOTE 9 Debtors and other receivables

Accounting policy

Debtors and other receivables are recorded at the amount due, less any allowance for expected credit losses.

Short-term receivables are written off when there is no reasonable expectation of recovery.

	NZAI 2025 Actual $000	NZAI 2024 Actual $000
Debtors and other receivables	490	1,092
Less allowance for credit losses	–	–
Term deposit interest	565	644
Total debtors and other receivables	**1,055**	**1,736**
Debtors and other receivables comprises:		
Receivables from exchange transactions	599	1,437
Receivables from non-exchange transactions	456	299
Total debtors and other receivables (Note 21)	**1,055**	**1,736**

The carrying value of receivables approximates their fair value. No loss allowance has been recognised as none are expected. This assessment has been made based on the nature of the receivables held, analysis of historical credit losses, and a review of specific debtors. All amounts due at balance date have since been received in full.

The carrying amount of receivables that would otherwise be past due, but not impaired, whose terms have been renegotiated is nil (2024 - nil).

As at 30 June 2025 and 2024, all overdue receivables have been assessed for impairment and appropriate provisions applied, as detailed below:

	2025			2024		
	Gross $000	Impairment $000	Net $000	Gross $000	Impairment $000	Net $000
Not past due	478	–	478	1,070	–	1,070
Past due 1 – 30 days	12	–	12	22	–	22
Past due 31 – 60 days	–	–	–	–	–	–
Past due 61 – 90 days	–	–	–	–	–	–
Past due > 91 days	–	–	–	–	–	–
Total	**490**	**–**	**490**	**1,092**	**–**	**1,092**

NOTE 10 Investments

Accounting policy

Term deposits are initially measured at the amount invested, as this reflects fair value for these market based transactions. 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.

	NZAI 2025 Actual $000	NZAI 2024 Actual $000
Current portion of term deposits	44,747	49,750
Total investments	**44,747**	**49,750**
Total investments by separately funded business stream (Note 21):		
Core Business	11,747	14,300
Scott Base Redevelopment	33,000	35,450
Antarctic Science Platform	-	-
Total investments (Note 21)	**44,747**	**49,750**

NZAI considers there has not been a significant increase in credit risk for investments in term deposits because the issuer of the investment continues to have low credit risk at balance date. Term deposits are held with banks that have a long-term AA- investment grade credit rating, which indicates the bank has a very strong capacity to meet its financial commitments.

The carrying amounts of term deposits with maturities of 12 months or less approximate their fair value.

No loss allowance for expected credit losses has been recognised because the estimated 12-month expected loss allowance for credit losses is trivial.

The weighted average effective interest rate for term deposits is 4.27% (2024 - 5.99%)

Term deposits include the Intercontinental Flight Reserve $3 Million (Note 7).

NOTE 11 Property, plant and equipment

Accounting policy

Property, plant and equipment are shown at cost less any accumulated depreciation and impairment losses, except for the art collection, which is shown at cost less impairment losses. Where an asset is acquired at no cost or for a nominal consideration, it is recognised at fair value when control over the asset is obtained.

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

Capital work in progress is recognised at cost and is not depreciated. The total cost of a capital project is transferred to the relevant asset class on its completion and then depreciated.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the net operating surplus or deficit in the period in which the transaction occurs.

The costs associated with maintaining property, plant and equipment are expensed in the net operating surplus or deficit as incurred.

Depreciation

Depreciation is charged on a straight-line basis at rates calculated to allocate the cost or valuation of an item of property, plant and equipment, less any estimated residual value, over its estimated useful life. Typically the estimated useful lives of different classes of property, plant and equipment are as follows:

Buildings	40 to 50 years
Building services	30 to 40 years
Clothing	10 years
Communications equipment	5 to 7 years
Computer hardware	2 to 4 years
Leasehold improvements	10 to 15 years
Library collection	20 years
Office equipment	3 to 5 years
Office furniture	3 to 5 years
Plant and machinery	10 years
Scott Base fitout	20 years
Tents	10 years
Vehicles	7 to 10 years
Wind farm	12 to 20 years

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful lives of the improvements, whichever is shorter.

Estimating the useful lives and residual values of property, plant and equipment

At each reporting date, the useful lives and residual values of property, plant and equipment are reviewed. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires a number of factors to be considered such as the physical condition of the asset, expected period of use of the asset by NZAI, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will affect the depreciation expense recognised in the net operating surplus or deficit, and carrying amount of the asset in the statement of financial position. NZAI minimises the risk of this estimation uncertainty by:

- physical inspection of assets;
- asset replacement programmes;
- review of second hand market prices for similar assets; and
- analysis of prior asset sales.

NZAI has not made significant changes to past assumptions concerning useful lives and residual values except for those disclosed below.

Carrying amounts of the existing Scott Base buildings and infrastructure at 30 June 2025

Although funding of $498 million for the future redevelopment of Scott Base has been committed by the Government, the existing facility remains fully operational until decommissioned and continues to have service potential through continued use. At 30 June 2025 the value in use of existing Scott Base buildings and infrastructure was assessed as exceeding the carrying amounts and no write down was required (i.e. not impaired).

Remaining useful lives of the existing Scott Base buildings and infrastructure

In 2022 Management assessed that the plan for the replacement of Scott Base was sufficiently advanced and likely, and that the remaining useful lives of the current Scott Base infrastructure should be brought forward in the 2022 financial year to reflect that, with a consequential increase to the annual depreciation charge in 2022 and beyond (i.e. accelerated depreciation). In 2025 accelerated depreciation of $280k (2024: $1.1m) has been booked. This included $196k to bring forward the useful life of the windfarm and $84k to bring forward the useful life of the existing Scott Base in line with project timelines. In 2025 the Hillary Field Centre was removed from the accelerated depreciation adjustment as this building is now expected to be retained.

The new methodology proposed for the SBR project reset (see page 61) will inform the future assumptions concerning useful lives and residual values.

Movement for each class of property, plant and equipment are as follows:

2025	Cost				Accumulated depreciation and impairment losses						Carrying amount
	Balance at 1 July 24	Additions/ Transfers	Disposals	Balance at 30 June 25	Balance at 1 July 24	Depreciation expense	Capitalised depreciation	Eliminate on disposal	Impairment losses	Balance at 30 June 25	at 30 June 25
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
Core Business											
Buildings Scott Base	10,977	-	(22)	10,955	7,753	263	-	(22)	-	7,994	2,961
Leasehold improvements	755	39	-	794	755	17	-	-	-	772	22
Communications equipment	492	58	-	550	404	36	-	-	-	440	110
Plant and machinery	4,492	65	-	4,557	3,433	250	-	-	-	3,683	874
Wind farm	11,315	-	-	11,315	10,113	638	-	-	-	10,751	564
Vehicles	9,338	-	-	9,338	6,071	672	-	-	-	6,743	2,595
Computer hardware	2,596	158	(214)	2,540	1,613	432	-	(200)	-	1,845	695
Scott Base fitout	13,495	34	-	13,529	10,121	679	-	-	-	10,800	2,729
Office furniture	184	24	(5)	203	181	6	-	(5)	-	182	21
Office equipment	151	93	-	244	136	10	-	-	-	146	98
Clothing	2,074	-	-	2,074	1,467	100	-	-	-	1,567	507
Tents	760	-	-	760	578	41	-	-	-	619	141
Library collection	135	-	-	135	135	-	-	-	-	135	-
Art collection	352	-	-	352	-	-	-	-	-	-	352
Work in progress	1,089	1	-	1,090	998	-	-	-	53	1,051	39
Core Business total	**58,205**	**472**	**(241)**	**58,436**	**43,758**	**3,144**	**-**	**(227)**	**53**	**46,728**	**11,708**
Scott Base Redevelopment project											
Buildings	3,589	47	-	3,636	222	274	-	-	-	496	3,140
Building services	1,292	-	-	1,292	111	148	-	-	-	259	1,033
Plant and machinery	7,809	-	-	7,809	946	792	-	-	-	1,738	6,071
Vehicles	12,902	-	-	12,902	2,123	1,324	-	-	-	3,447	9,455
Computer hardware	52	-	-	52	23	13	-	-	-	36	16
Scott Base fitout	2,766	49	-	2,815	287	421	-	-	-	708	2,107
Office furniture	67	-	-	67	27	13	-	-	-	40	27
Office equipment	10	-	-	10	3	2	-	-	-	5	5
Clothing	49	-	-	49	6	9	-	-	-	15	34
Work in progress	79,284	28,202	-	107,486	23,029	-	-	-	3,323	26,352	81,134
SBR total	**107,820**	**28,298**	**-**	**136,118**	**26,777**	**2,996**	**-**	**-**	**3,323**	**33,096**	**103,022**
Consolidated total	**166,025**	**28,770**	**(241)**	**194,554**	**70,535**	**6,140**	**-**	**(227)**	**3,376**	**79,824**	**114,730**

2024	Cost				Accumulated depreciation and impairment losses						Carrying amount
	Balance at 1 July 23 $000	Additions/ Transfers $000	Disposals $000	Balance at 30 June 24 $000	Balance at 1 July 23 $000	Depreciation expense $000	Capitalised depreciation $000	Eliminate on disposal $000	Impairment losses $000	Balance at 30 June 24 $000	at 30 June 24 $000
Core Business											
Buildings Scott Base	10,977	-	-	10,977	6,871	882	-	-	-	7,753	3,224
Leasehold improvements	755	-	-	755	711	44	-	-	-	755	-
Communications equipment	535	52	(95)	492	463	35	-	(94)	-	404	88
Plant and machinery	4,387	115	(10)	4,492	3,190	253	-	(10)	-	3,433	1,059
Wind farm	11,315	-	-	11,315	9,476	637	-	-	-	10,113	1,202
Vehicles	9,080	717	(459)	9,338	5,814	696	-	(439)	-	6,071	3,267
Computer hardware	2,444	378	(226)	2,596	1,432	405	-	(224)	-	1,613	983
Scott Base fitout	13,480	15	-	13,495	9,223	898	-	-	-	10,121	3,374
Office furniture	184	-	-	184	168	13	-	-	-	181	3
Office equipment	167	13	(29)	151	157	8	-	(29)	-	136	15
Clothing	2,074	-	-	2,074	1,358	109	-	-	-	1,467	607
Tents	715	45	-	760	540	38	-	-	-	578	182
Library collection	135	-	-	135	135	-	-	-	-	135	-
Art collection	352	-	-	352	-	-	-	-	-	-	352
Work in progress	1,833	(744)	-	1,089	998	-	-	-	-	998	91
Core Business total	**58,433**	**591**	**(819)**	**58,205**	**40,536**	**4,018**	**-**	**(796)**	**-**	**43,758**	**14,447**
Scott Base Redevelopment project											
Buildings	2,016	1,573	-	3,589	35	187	-	-	-	222	3,367
Building services	390	902	-	1,292	8	103	-	-	-	111	1,181
Leasehold improvements	145	-	(145)	-	81	31	-	(146)	34	-	-
Plant and machinery	5,523	2,286	-	7,809	214	608	124	-	-	946	6,863
Vehicles	12,113	789	-	12,902	852	918	353	-	-	2,123	10,779
Computer hardware	-	52	-	52	-	23	-	-	-	23	29
Scott Base fitout	107	2,659	-	2,766	9	278	-	-	-	287	2,479
Office furniture	67	-	-	67	14	13	-	-	-	27	40
Office equipment	3	7	-	10	1	2	-	-	-	3	7
Clothing	-	49	-	49	-	6	-	-	-	6	43
Work in progress	60,607	18,677	-	79,284	370	-	-	-	22,659	23,029	56,255
SBR total	**80,971**	**26,994**	**(145)**	**107,820**	**1,584**	**2,169**	**477**	**(146)**	**22,693**	**26,777**	**81,043**
Consolidated total	**139,404**	**27,585**	**(964)**	**166,025**	**42,120**	**6,187**	**477**	**(942)**	**22,693**	**70,535**	**95,490**

Scott Base Redevelopment

Context

NZAI paused the Scott Base Redevelopment project in 2023 when it could not agree the main construction contract with its preferred contractor within budget. The replacement Ross Island Wind Farm component of the project was unaffected by the wider project pause.

Following this NZAI initiated an externally led review of options to deliver the project which was followed up with further design analysis and costing. This process culminated in an independent review and its recommendations were approved by the Board in June 2024.

The independent review recommended resetting the Scott Base Redevelopment project by undertaking master-planning and focusing the redesign processes on specific key priorities ("project reset"). These include constructing one new building (instead of three in the original design), refurbishing the existing Hillary Field Centre building as a dedicated space for scientific work, extending the life of existing buildings where practical and scoping a third building.

In March 2024 Cabinet agreed to set aside the remaining unspent funding for the project in tagged contingencies, except for amounts necessary to deliver the windfarm and complete a revised detailed business case for Cabinet consideration. NZAI is expecting to present the revised detailed business case and costings to Cabinet for approval in April 2026.

As a consequence of the above the following unbudgeted expenses have been included in the financial deficit for the year for the Scott Base Redevelopment project:

Expenditure item	Explanation	2025 $'000	2024 $'000
Options analysis, design review and costing, independent review costs	Costs incurred to review and investigate alternative options and recommend an alternative approach to deliver the project within the remaining budget.	60	3,270
Impairment loss	Estimated costs incurred in developing the original design for a new three-building Scott Base that are no longer relevant to the reset project.	3,323	22,693
Provision for onerous contracts	Estimated costs to cancel agreements that will not be required to deliver the reset project.	(325)	11,395
	Total	**3,058**	**37,358**

Impairment of property, plant and equipment

NZAI holds non-cash generating property, plant, and equipment assets that have a finite useful life at cost. These assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The Scott Base Redevelopment project reset noted above is an indication that the cost of capital work in progress for the original design development has been impaired.

Calculating the recoverable amount of capital work in progress and the associated impairment loss is subject to the following uncertainties:

- Final designs and construction methodologies for the project reset are not yet fully developed, and
- Capital work in progress includes several categories of costs and overheads relating to the three-building design as-a-whole that cannot be directly attributed to specific elements in the project reset.

The main estimates and assumptions that have been applied to resolve these uncertainties and determine the recoverable amount of capital work in progress are as follows:

- The original three-building design was fundamentally driven by the Large Module Delivery Methodology (LMDM). This methodology will not be used in the design reset and so all related costs are fully impaired,
- Preliminary design work and associated project costs capitalised prior to adopting the LMDM approach in 2020 will be held at current carrying value.
- Capital work in progress relating to all on-site works remains fully relevant to the SBR reset, excluding costs incurred to date in respect of large flat deck shipping and transiting LMDM building modules between shore and ship, which are fully impaired.
- A significant number of costs relate to the general design work itself and so will be partly relevant to the project reset. In 2024 judgement was applied to estimate the ongoing value of previous work undertaken by each design discipline which ranged from 25% to 60%. Early contractor involvement costs, general design work and project overheads were carried forward on a weighted average of the carry forward costs for the main design disciplines. In 2025 impairment was carried out only in instances of significant changes in design philosophy from the from the previous year as confirmed by professional advice from our current lead design architect. 2025 impairment also included impairment of wind turbine blades that were damaged in transit to Antarctica.
- The carrying value of other costs have been assessed on their individual merits.

It is reasonably possible that actual outcomes could differ from these estimates and assumptions which could result in a material adjustment to the carrying amount of capital work in progress.

Provision for onerous contracts

An onerous contract is defined as a contract for the exchange of assets or services in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits or service potential expected to be received under it.

NZAI is a party to agreements with a degree of uncertainty about its relevance to the project reset and the economic benefits to be received under contract. Other uncertainties are related to future commercial arrangements between the contracting parties that are yet to be concluded.
The main estimates and assumptions that have been applied to resolve these uncertainties and provide for the cost of onerous contracts are as follows:

- The terms of the legal agreement between the parties apply.
- Where no cost minimisation plan is in place, the minimum contractual exit penalties or commitments are fully provided for - even if there is an intent to implement one in the future.
- Commercial considerations to both minimise the cost of the onerous contract and maximise future economic benefits from continuing to work with the contracted suppliers.

NOTE 12 Intangible assets

Accounting policy

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Intangible assets with finite lives are subsequently recorded at cost less any amortisation and impairment. Amortisation is charged to the net operating surplus or deficit on a straight-line basis over the useful life of the asset. Typically the estimated useful lives of these assets are as follows:

Computer Software 3 to 5 years

The carrying amounts of intangible assets are reviewed at least annually to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. Losses resulting from impairment are reported in the net operating surplus or deficit.

Software as a service (SaaS) arrangements are service contracts providing NZAI with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received. Some of these costs incurred are for the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of and recognition criteria for an intangible asset.

Movement for each class of intangible asset are as follows:

2025	Cost				Accumulated amortisation and impairment losses					Carrying amount
	Balance at 1 July 24 $000	Additions/ Transfers $000	Disposals $000	Balance at 30 June 25 $000	Balance at 1 July 24 $000	Amortisation expense $000	Eliminate on disposal $000	Impairment losses $000	Balance at 30 June 25 $000	at 30 June 25 $000
Acquired software	1,457	311	(47)	1,721	1,288	116	(47)	-	1,357	364
Work in progress	19	(19)	-	-	-	-	-	-	-	-
Total	**1,476**	**292**	**(47)**	**1,721**	**1,288**	**116**	**(47)**	**-**	**1,357**	**364**

2024	Cost				Accumulated amortisation and impairment losses					Carrying amount
	Balance at 1 July 23 $000	Additions/ Transfers $000	Disposals $000	Balance at 30 June 24 $000	Balance at 1 July 23 $000	Amortisation expense $000	Eliminate on disposal $000	Impairment losses $000	Balance at 30 June 24 $000	at 30 June 24 $000
Acquired software	1,689	14	(246)	1,457	1,423	110	(246)	-	1,288	169
Work in progress	-	19	-	19	-	-	-	-	-	19
Total	**1,689**	**33**	**(246)**	**1,476**	**1,423**	**110**	**(246)**	**-**	**1,288**	**188**

There are no restrictions over the title of NZAI's intangible assets, nor are any intangible assets pledged as security for liabilities.

NOTE 13 Creditors and other payables

Accounting policy

Short-term creditors and other payables are recorded at the amount payable.

	NZAI 2025 Actual $000	NZAI 2024 Actual $000
Creditors	2,516	2,581
Accrued expenses	3,254	1,898
Total creditors and other payables (Note 21)	**5,770**	**4,479**
Creditors and other payables comprises:		
Creditors and other payables under exchange transactions	5,770	4,479
Creditors and other payables under non-exchange transactions	-	-

Payables are generally non-interest bearing and are normally settled on the 20th of the month following receipt of an invoice, if not before. Therefore, the carrying value of payables approximates their fair value.

NOTE 14 Employee entitlements

Accounting policy

Employee entitlements

Employee entitlements to be settled within 12 months are reported at the amount expected to be paid and include salaries and wages accrued up to balance date, annual leave and time in lieu earned, but not yet taken at each reporting date and long service leave entitlements.

	NZAI 2025 Actual $000	NZAI 2024 Actual $000
Accrued salaries and wages	232	227
Annual leave, time in lieu and long service leave	511	611
Total employee entitlements (Note 21)	**743**	**838**

NOTE 15 Provisions

Accounting policy

Provisions are recognised when NZAI has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The expense relating to any provision is presented in the statement of comprehensive revenue and expense.

Onerous contracts

A provision for onerous contracts is recognised when the expected benefits or service potential to be derived from a contract are lower than the unavoidable cost of meeting the obligations under the contract.

The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Restructuring

A provision for restructuring is recognised when either an approved detailed formal plan for the restructuring has been announced publicly to those affected or implementation of it has already commenced. Further operating losses are not provided for.

	NZAI 2025 Actual $000	NZAI 2024 Actual $000
Onerous contracts		
Balance at 1 July	11,395	-
Additional provisions made	250	11,395
Amounts used	(8,504)	-
Unused amounts reversed	(641)	-
Balance at 30 June (Note 11 and 21)	**2,500**	**11,395**
Restructuring		
Balance at 1 July	-	-
Additional provisions made	312	-
Amounts used	-	-
Unused amounts reversed	-	-
Balance at 30 June (Note 21)	**312**	**-**
Non-current	-	1,153
Current	2,812	10,242
Total Provisions	**2,812**	**11,395**

NZAI entered into various contractual commitments as part of the SBR project. Following the adoption of the Independent Review Panel's recommendations a number of these contracts were curtailed. In 2024 a provision was recognised for the lower of the cost to either cancel or fulfil the contract (refer page 61, Note 11). In 2025 a number of these onerous contracts were settled and a contingent liability has been identified (refer note 19).

NZAI's Board approved a detailed and formal restructuring plan that was announced in June 2025. Consultation was completed and a final outcome document released in early July 2025. The provision represents the estimated costs for employee termination costs and external consultant costs arising from the restructure. The restructuring plan and associated payments are expected to be completed by November 2025.

NOTE 16 Related party transactions and key management personnel

Accounting policy

NZAI transacts with other Government-related entities on a regular basis, for example the purchase of postage or electricity. Significant transactions are disclosed separately. Transactions that are collectively, but not individually, significant are disclosed in aggregate as transactions from Government-related entities.

NZAI is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are:

- within a normal supplier or client/recipient relationship; and
- on terms and conditions no more or less favourable than those that is reasonable to expect NZAI to have adopted in dealing with the party at arm's length in the same circumstances.

Transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are on normal terms and conditions consistent with the normal operating arrangements between government agencies.

Directors – related party transactions

Any entity NZAI has transacted with in which a director has an interest has been carried out in accordance with the accounting policy described above. Any potential conflict is recorded in the minutes of the Board meetings for directors. The interest register containing all relevant interests is updated on a regular and timely basis.

Key management personnel compensation	NZAI 2025 Actual $000	NZAI 2024 Actual $000
Board Members remuneration	95	74
Senior Leadership Team remuneration	1,809	1,551
Total key management personnel remuneration	**1,904**	**1,625**
Total full time equivalent personnel	**6.57**	**7.52**

Key management personnel include all Board Members, the Chief Executive, and members of the Senior Leadership Team.

NOTE 17 Financial instruments

Accounting policy

Nature of activities and management policies with respect to financial instruments.

1) Foreign exchange risk
   Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. NZAI undertakes transactions denominated in foreign currencies. As a result of these activities exposures in foreign currencies arise. It is the policy of NZAI to hedge significant foreign currency risks and it uses forward and spot foreign exchange contracts to manage this exposure.

2) Credit risk
   Credit risk is the risk that a third party will default on its obligation to NZAI, causing it to incur a loss. In the normal course of business NZAI incurs credit risk from trade debtors and financial institutions. There are no significant concentrations of credit risk from trade debtors and exposures to them are monitored on a regular basis. NZAI places its cash and investments (term deposits) with high quality financial institutions that have AA- investment grade credit ratings, which limits the amount of credit exposure. No collateral or security to support financial instruments is required due to the quality of the financial institutions dealt with. It is also NZAI's policy to limit the amount of credit exposure to any one institution

3) Interest rate risk
   Interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. NZAI's interest rate risk is limited to its bank deposits which are held on a short term basis at fixed rates of interest. NZAI actively manages its exposure to interest rate risk by reviewing its placement of new investments.

4) Liquidity risk
   Liquidity risk is the risk that NZAI will encounter difficulty raising liquid funds to meet commitments as they fall due. NZAI structures its cash flows from the Crown in order to meet anticipated commitments. NZAI's policy is to maintain minimum liquid funds of $5.0 million at all times. Financial liabilities consist of creditors and other payables of which maturity dates are less than 60 days.

Derivative financial instruments

Derivative financial instruments are used to manage exposure to foreign exchange risk arising from NZAI's operational activities. NZAI does not hold or issue derivative financial instruments for trading purposes. NZAI has not adopted hedge accounting.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date with the resulting gain or loss recognised in the net operating surplus or deficit.

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

As at 30 June 2025 NZAI held 3 forward exchange contracts for AUD ($772k) for SBR project contractual commitments (2024 - 13 forward exchange contracts for EUR ($2.5m) and USD ($1.6m)).

Financial instrument categories

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

	NZAI 2025 Actual $000	NZAI 2024 Actual $000
Financial assets mandatorily measured at fair value through surplus or deficit		
Derivative financial instruments	53	(116)
Financial assets measured at amortised cost		
Cash and cash equivalents	24,755	33,754
Debtors and other receivables	1,055	1,736
Investments (term deposits)	44,747	49,750
Financial liabilities measured at amortised cost		
Creditors and other payables	5,770	4,479

NOTE 18 Commitments

Accounting policy

Operating leases

Lease payments under an operating lease, where the lessor substantially retains the risks and rewards of ownership of an asset, are recognised on a straight line basis over the term of the lease in the net operating surplus or deficit. Lease incentives received are recognised in the net operating surplus or deficit over the lease term as an integral part of the total lease expense.

	NZAI 2025 Actual $000	NZAI 2024 Actual $000
Capital commitments		
Scott Base Redevelopment *	9,302	17,388
Other property, plant and equipment	79	246
Intangibles	28	-
Total capital commitments	**9,409**	**17,634**
Non-cancellable operating lease commitments		
Non-cancellable operating lease rentals are payable as follows:		
Less than one year	669	652
One to two years	147	620
Two to five years	-	129
Over five years	-	-
Total non-cancellable operating lease commitments	**816**	**1,401**

* Scott Base Redevelopment capital commitments of $4.8 million at 30 June 2025 relates to the replacement of the windfarm, $4.5 million relates to mainbase commitments. These commitments form part of the overall SBR project funding of $498 million.

As a result of the SBR project reset in 2024, some contracts were assessed to be curtailed. During the 2025 financial year settlements were negotiated for a number of these contracts. The costs associated with any curtailment of contracts are recognised as a provision at year end (refer Note 15) and not included in the above capital commitments.

The non-cancellable operating lease commitment relates to:

- 38 Orchard Road: Office and warehouse space in Christchurch. The lease was renewed in the 2023 year, which granted 3 further rights of renewal, with the next renewal date being 16 September 2026. The final expiry date under the current lease is now 16 September 2032.
- 342 Lambton Quay: A lease was entered into for office space in Wellington, commencing on 18 May 2025. The first right of renewal is on 18 November 2026, at which point the lease can be extended for a further two years.
- 100 Orchard Road: A lease was entered into for the Scott Base Redevelopment project office in March 2022. This lease was terminated on 30 August 2024 and staff were relocated to the office at 38 Orchard Road.

NOTE 19 Contingent assets and liabilities

Contingent liabilities

Once the new Scott Base facility and windfarm have been completed then the existing Scott Base and associated infrastructure will be deconstructed as described in the Comprehensive Environmental Evaluation available on the NZAI website. In NZAI's judgement, deconstruction costs have not been recognised in the financial statements due to the absence of reliable estimates at this stage of the project. Reliable cost estimates cannot be made now because of the unique nature of the asset, its remote location and the extended timeframe until decommissioning takes place.

At balance date NZAI has two non-cancellable operating leases which may require it to restore or 'make good' the leased asset at the end of the lease term. NZAI has maintained them in the same condition as they were at the commencement of the lease. On this basis the likelihood of any material outflow in settlement is considered remote.

During the year ended 30 June 2025 NZAI negotiated settlements to a number of onerous contracts. As part of one of the settlements NZAI has agreed to maintain a commercial relationship with one of the parties. In the event that NZAI decides to cease this commercial relationship a further $1 million settlement will be required beyond the settlements agreed to and paid.

Contingent assets

In NZAI's assessment, it is also probable that the existing Scott Base and associated infrastructure may have some salvage value at the end of their useful lives. However, no salvage value has been recognised due to the absence of reliable estimates at this stage of the project. Reliable estimates of salvage value cannot be made now for the same reasons detailed above.

There are no other contingent assets or liabilities that NZAI is aware of (2024 - nil).

NOTE 20 Events after balance date

An onerous contract that was provided for at balance date was settled in September 2025.

After balance date a claim was put in against NZAI's insurance broker in regards to inadequate cover for wind turbine blades that were damaged in transit to Antarctica. This claim remains open.

In September 2025 Cabinet approved the release of $22.6 million in allocated funding from the Scott Base Redevelopment (SBR) project tagged contingency, at NZAI's request. This funding was requested for use in early works, design management and contractor procurement for the year ended 30 June 2026. An additional $3.5 million was approved for release to allow NZAI to meet its capital charge obligations for the six months ended 31 December 2025. Cabinet also confirmed the interest revenue earned on facilities held by the SBR project can be retained by the project.

NOTE 21 Funding streams report

The following is an analysis of NZAI's 2025 and 2024 results by activity. It has been provided for information purposes only.

Core Business

Core Business covers the performance of NZAI's principal functions (excluding Scott Base Redevelopment and Antarctic Science Platform as detailed below), funded by non-departmental output expense appropriation to deliver outputs agreed with the Minister of Foreign Affairs.

Scott Base Redevelopment (SBR)

The New Zealand Government has committed $498 million to rebuild Scott Base. This includes renewing the windfarm, which will ensure the new base is powered by renewable energy. The funding was made up of a capital investment of $465 million and operating funding of $33 million.

During the 2025 year capital funding of $22 million (2024- $62 million) and operational funding of $4 million (2024 - $4 million) were received. In addition, the Government funded SBR related capital charge forecast costs of $2 million (2024 - $9.9 million).

At 30 June 2025 the residual budget available from the Government is $317 million which is held by the Crown in tagged operating and capital contingencies, the release of which requires joint Ministerial approval.

Refer to Note 11 for information on the SBR project.

Antarctic Science Platform (ASP)

In November 2018 NZAI entered a contract with the Ministry of Business Innovation and Employment (MBIE) to deliver the Antarctic Science Platform for $49 million over a seven year period. The purpose of the Platform is to foster a dynamic and integrated New Zealand Antarctic research community to advance understanding of the impact of Antarctic ecosystems and processes and their influence on the global Earth system, and inform projections of future changes in a warming world.

NZAI is the Platform host and receives annual funding for the costs associated with research, science and technology, and to meet the costs of delivering and administering the Platform. NZAI issues grants under the Platform for the research, science and technology to meet its purpose.

	2025				2024			
	Core Business	Scott Base Redevelopment	Antarctic Science Platform	TOTAL	Core Business	Scott Base Redevelopment	Antarctic Science Platform	TOTAL
	$000	$000	$000	$000	$000	$000	$000	$000
Revenue from non-exchange transactions								
Crown revenue	21,436	6,000	-	27,436	21,566	13,900	-	35,466
Grant revenue	551	-	7,099	7,650	-	-	7,770	7,770
Other non-exchange revenue	11	-	-	11	61	-	-	61
	21,998	**6,000**	**7,099**	**35,097**	**21,627**	**13,900**	**7,770**	**43,297**
Revenue from exchange transactions								
Interest revenue	947	3,528	126	4,601	1,059	6,526	209	7,794
Other operating revenue	943	-	-	943	937	-	-	937
Finance income	-	168	-	168	-	-	-	-
Net gain on sale of property plant and equipment	3	-	-	3	21	-	-	21
	1,893	**3,696**	**126**	**5,715**	**2,017**	**6,526**	**209**	**8,752**
Total revenue	**23,891**	**9,696**	**7,225**	**40,812**	**23,644**	**20,426**	**7,979**	**52,049**
Expenditure								
Personnel costs	8,200	1,306	325	9,831	7,634	1,971	322	9,927
Operating expenses	11,808	2,710	1,100	15,618	12,801	5,708	807	19,316
Research Grants	-	-	6,949	6,949	-	-	6,231	6,231
Crown capital charge	1,511	7,175	41	8,727	1,633	7,583	40	9,256
Finance costs	2	27	(2)	27	-	119	-	119
Depreciation and amortisation expense	3,260	2,996	-	6,256	4,128	2,169	-	6,297
Impairment	53	3,323	-	3,376	-	22,693	-	22,693
Onerous contracts	–	(325)	-	(325)	-	11,395	-	11,395
Total expenditure	**24,834**	**17,212**	**8,413**	**50,459**	**26,196**	**51,638**	**7,400**	**85,234**
Net operating surplus / (deficit)	**(943)**	**(7,516)**	**(1,188)**	**(9,647)**	**(2,552)**	**(31,212)**	**579**	**(33,185)**
Assets								
Cash and cash equivalents	8,816	14,974	965	24,755	2,401	28,635	2,718	33,754
Debtors and other receivables	211	619	225	1,055	1,284	232	220	1,736
Investments	11,747	33,000	-	44,747	14,300	35,450	-	49,750
Prepayments	455	18	-	473	271	15	123	409
Derivative financial instruments	-	53	-	53	-	-	-	-
Capital work in progress	39	81,136	-	81,175	110	56,256	-	56,366
Property, plant and equipment	11,668	21,887	-	33,555	14,355	24,787	-	39,142
Intangible assets	364	-	-	364	170	-	-	170
Total Assets	**33,300**	**151,687**	**1,190**	**186,177**	**32,891**	**145,375**	**3,061**	**181,327**
Liabilities								
Creditors and other payables	2,650	1,977	1,143	5,770	1,610	1,036	1,833	4,479
Employee entitlements	677	44	22	743	677	146	15	838
Provisions	312	2,500	-	2,812	-	11,395	-	11,395
Derivative financial instruments	-	-	-	-	-	116	-	116
Total Liabilities	**3,639**	**4,521**	**1,165**	**9,325**	**2,287**	**12,693**	**1,848**	**16,828**
Net Assets	**29,661**	**147,166**	**25**	**176,852**	**30,604**	**132,682**	**1,213**	**164,499**
Taxpayers' Funds	26,661	147,166	25	173,852	27,604	132,682	1,213	161,499
Other Reserves	3,000	-	-	3,000	3,000	-	-	3,000
Total Equity	**29,661**	**147,166**	**25**	**176,852**	**30,604**	**132,682**	**1,213**	**164,499**

NOTE 22 Explanation of significant variances against budget

Explanations for significant variances from the NZAI's budgeted figures are as follows:

Statement of comprehensive revenue and expenses

Crown revenue

Crown revenue is higher than budget due to additional non-operational funding received from MFAT as a contribution to Science Cooperation Arrangements.

Grant revenue

Grant revenue is higher than budget due to additional funding received from MBIE for the US Catalyst Strategic Investment Fund.

Interest revenue

Interest revenue is higher than budget due to higher interest rates and higher cash balances than budgeted, particularly within the SBR project.

Personnel costs

Personnel are higher than budget due to additional seasonal roles at Scott Base to support a larger than planned Core Business season on ice, unbudgeted executive recruitment costs and employee termination benefits following the restructure.

Operating expenses

Operating expenses are lower than budget primarily due to the SBR project. Redesign costs were capitalised during the year following the selection of a preferred design option, resulting in lower operating expenses.

Research grants

Antarctic Science Platform science grants are higher than budgeted for as a result of unspent funding carried forward from previous financial years.

Capital charge

The capital charge is lower than budget for the year due to the SBR project reset.

Impairment

No impairment was budgeted, however further work in progress related to the SBR project has been assessed as being impaired during the 2025 financial year due the adoption of the alternative design and build methodology recommended by the Independent Panel Review in June 2024.

Onerous contracts

Onerous contracts were not budgeted. The provision for onerous contracts arose in 2024 as a result of adopting the SBR Project alternative design and build methodology. The provision reduced in 2025 as a number of the onerous contracts were settled.

Statement of financial position

Cash and cash equivalents, and investments

Combined cash and cash equivalents and investments are higher than budget due to delays in expected capital outlays on the SBR project as a result of the project reset.

Property, plant and equipment

Property, plant and equipment is lower than budget due to the SBR project reset.

Creditors and other payables

Creditors and other payables are higher than budget due to the timing of a number of large supplier invoices.

Provisions

Unbudgeted provisions relate to SBR project contracts deemed onerous as a result of adopting the alternative design and build methodology and a provision for Core Business restructuring.

Statement of cash flows

Receipts from revenue

Receipts from other revenue (exchange) is higher than budget primarily due to increased recoveries from events supported on ice. Receipts from Crown revenue and other revenue (non-exchange) are higher than budget due to new funding received as noted above.

Payments to grant recipients

Payments to grant recipients are above budget in line with the increase in research grants as noted above.

Payments for crown capital charge

Payments for crown capital charge is lower than budget due to a lower taxpayers fund balance than budgeted as noted above.

Interest received

Interest received is higher than budget for the reasons noted above.

Transfer from term deposit

Transfers from term deposits is higher than budget as cash in short term deposits less than 3 months was reclassified from cash and cash equivalents at year-end.

STATUTORY REMUNERATION DISCLOSURES
for the year ended 30 June 2025

Employees' remuneration

During the year the following number of employees received remuneration of $100,000 or more:

	NZAI 2025 Actual	NZAI 2024 Actual
Remuneration band	No. of employees	No. of employees
$100,000-$109,999	10	8
$110,000-$119,999	7	6
$120,000-$129,999	5	5
$130,000-$139,999	2	3
$140,000-$149,999	4	6
$150,000-$159,999	2	2
$160,000-$169,999	1	-
$170,000-$179,999	2	2
$180,000-$189,999	-	-
$190,000-$199,999	1	2
$200,000-$209,999	-	1
$210,000-$219,999	-	1
$220,000-$229,999	-	1
$280,000-$289,999	1	-
$290,000-$299,999	1	-
$360,000-$369,999	-	1

The table above contains remuneration information solely on permanent or fixed-term employees of NZAI who have been paid more than $100,000 in respect of the financial year in accordance with the requirements of the Crown Entities Act 2004. Contract personnel are not included.

During the year ended 30 June 2025, 6 (2024 - nil) NZAI employees received compensation and other benefits in relation to cessation of $183k (2024 - nil). A further $280k of compensation and other benefits in relation to cessation was provided for in the year ended 30 June 2025 as a result of the restructuring plan that was announced in June 2025. These costs are excluded from the remuneration table above.

Directors' remuneration

Board Members earned the following fees during the year:

	TERM		NZAI 2025 Actual	NZAI 2024 Actual
Board Member	Original Appointment Date	Current Expiry Date	$000	$000
Leon Grice (Chair)	Feb-24	Feb-27	28	8
Sir Brian Roche (previous Chair) *	Aug-14	Feb-24	-	15
Keiran Horne (Audit & Risk Committee Chair) *	Jul-24	Jul-27	13	-
Dame Therese Walsh (Previous Finance & Audit Committee Chair) *	Jul-17	Apr-25	5	10
Dr. Neil Gilbert	Aug-20	Apr-27	13	10
Heather Simpson (People & Culture Subcommittee Chair)	Feb-24	Feb-27	14	3
Neville Harris (SBR Subcommittee Chair)	Apr-24	Apr-27	14	2
Craig Ellison *	Dec-24	Dec-27	8	-
Dr. Helen Anderson *	Dec-15	May-24	-	9
Rob Morrison *	Dec-15	Jun-24	-	9
Jenn Bestwick (previous SBR Subcommittee Chair) *	Aug-20	Apr-24	-	8
Total Board Member remuneration			**95**	**74**

* Term was not full year

No Board members received compensation or other benefits in relation to cessation (2024 - nil).

The Crown Entities Act 2004 contains standard provisions on immunity from liability, indemnity and insurance in relation to directors, office holders and employees.

NZAI has arranged insurance policies for directors and employees which ensure that they will generally incur no monetary loss as a result of lawful actions undertaken by them as directors or employees. These include, among others, directors' and officers' liability insurance. Certain risks are specifically excluded from the cover provided, including the imposition of penalties and fines in respect of breaches of the law.

Conducting a biodiversity survey in the Morozumi Range.

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Scott Base Summer Staff 2024–25.

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Te Kāwanatanga o Aotearoa
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