

Company Registration Number: 4031152

National Grid plc

Interim Accounts

For the year ended 31 March 2017

THURSDAY



L66PAPEJ

LD2

18/05/2017

#4

COMPANIES HOUSE

National Grid plc
Profit and loss account
For the year ended 31 March 2017

	Notes	2017 £m	2016 £m
Income from shares in a subsidiary undertaking	2	8,268	930
Interest receivable and similar income	3	2,397	597
Interest payable and similar charges	4	(2,488)	(826)
Profit before tax		8,177	701
Tax		20	47
Profit for the year		8,197	748

The results reported above relate to continuing activities.

Statement of comprehensive income
For the year ended 31 March 2017

	2017 £m	2016 £m
Profit for the year	8,197	748
Other comprehensive loss		
Items that may be reclassified subsequently to profit or loss:		
Net losses in respect of cash flow hedges	(7)	-
Tax on items that may be reclassified to profit or loss	1	-
Total items that may be reclassified subsequently to profit or loss	(6)	-
Other comprehensive loss for the year, net of tax	(6)	-
Total comprehensive income for the year	8,191	748

National Grid plc
Balance sheet
As at 31 March 2017

	Notes	2017 £m	2016 £m
Fixed asset investments	5	<u>8,880</u>	<u>8,845</u>
Current assets			
Debtors (amounts falling due within one year)	6	12,936	11,796
Debtors (amounts falling due after more than one year)	6	491	475
Investments		5,471	1,244
Cash at bank and in hand		<u>1,090</u>	<u>1</u>
		<u>19,988</u>	<u>13,516</u>
Creditors (amounts falling due within one year)	7	(13,714)	(13,851)
Net current assets/(liabilities)		<u>6,274</u>	<u>(335)</u>
Total assets less current liabilities		<u>15,154</u>	<u>8,510</u>
Creditors (amounts falling due after more than one year)	7	(3,595)	(3,538)
Net assets		<u>11,559</u>	<u>4,972</u>
Equity			
Share capital	8	449	447
Share premium account	9	1,324	1,326
Cash flow hedge reserve	9	11	17
Other equity reserve	9	337	302
Profit and loss account	9	9,438	2,880
Total shareholders' equity		<u>11,559</u>	<u>4,972</u>

The notes on pages 3 to 5 form part of the interim accounts of the Company, which were approved by the Board of Directors on 19 April 2017 and were signed on its behalf by:


Sir Peter Gershon Chairman


Andrew Bonfield Finance Director

National Grid plc

Notes to the interim accounts

For the year ended 31 March 2017

1 Basis of preparation

These interim accounts have been prepared solely to establish that National Grid plc ('the Company') has sufficient distributable reserves, pursuant to sections 836 and 838 of the Companies Act 2006.

These financial statements have been prepared in accordance with applicable UK accounting and financial reporting standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS101) except that, as permitted by section 838 of the Companies Act 2006, the accounts omit information which is not relevant in determining whether a distribution would be lawful under the Companies Act 2006.

These interim accounts are not consolidated accounts and therefore only include the results, assets and liabilities of the Company. These interim accounts do not include the results, assets and liabilities of the Group.

The accounting policies for the Company as set out in the Annual Report and Accounts for the year ended 31 March 2016 have been applied in the preparation of these interim accounts.

These interim accounts do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 March 2016 were approved by the Board of Directors on 18 May 2016 and have been delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

2 Income from shares in a subsidiary undertaking

Income from shares represents dividends of £8,268m (2016: £930m) received from its subsidiary, National Grid Holdings One plc.

3 Interest receivable and similar income

	2017 £m	2016 £m
Interest receivable from subsidiary undertakings	134	71
Other interest receivable	3	2
Exchange gains on revaluation of foreign currency denominated intercompany loans	804	169
Changes in fair value of derivative financial instruments	1,435	355
Gain on novation of intercompany loan	21	-
	<u>2,397</u>	<u>597</u>

4 Interest payable and similar charges

	2017 £m	2016 £m
Interest payable to subsidiary undertakings	236	182
Other interest payable	60	54
Exchange losses on revaluation of foreign currency denominated intercompany loans	1,132	335
Changes in fair value of derivative financial instruments	1,005	223
Interest on derivatives	55	32
	<u>2,488</u>	<u>826</u>

National Grid plc

Notes to the interim accounts (continued)

For the year ended 31 March 2017

5 Fixed asset investments

	Shares in subsidiary undertakings £m
At 1 April 2015	8,823
Additions	22
At 31 March 2016	8,845
Additions	35
At 31 March 2017	8,880

During the year there was a capital contribution of £35m (2016: £22m) which represents the fair value of equity instruments granted to subsidiaries' employees arising from equity-settled employee share schemes.

The Company's direct subsidiary undertakings as at 31 March 2017 were as follows:

National Grid (US) Holdings Limited
National Grid Holdings One plc
NGG Finance plc

The Directors believe that the carrying value of the investments are supported by the fair value of the underlying net assets.

6 Debtors

	2017 £m	2016 £m
Amounts falling due within one year		
Derivative financial instruments	202	279
Amounts owed by subsidiary undertakings	12,734	11,516
Prepayments and accrued income	-	1
	<u>12,936</u>	<u>11,796</u>
Amounts falling due after more than one year		
Derivative financial instruments	149	157
Amounts owed by subsidiary undertakings	342	318
	<u>491</u>	<u>475</u>

7 Creditors

	2017 £m	2016 £m
Amounts falling due within one year		
Borrowings	1,120	933
Derivative financial instruments	533	239
Amounts owed to subsidiary undertakings	12,012	12,633
Corporation tax payable	3	3
Other creditors	46	43
	<u>13,714</u>	<u>13,851</u>
Amounts falling due after more than one year		
Borrowings	1,262	1,194
Derivative financial instruments	272	358
Amounts owed to subsidiary undertakings	2,058	1,982
Deferred tax	3	4
	<u>3,595</u>	<u>3,538</u>

National Grid plc

Notes to the interim accounts (continued)

For the year ended 31 March 2017

8 Share capital

The share capital amounting to £449m (2016: £447m) consists of 3,942,983,447 (2016: 3,924,038,086) ordinary shares of 11 17/43 pence each.

9 Reserves

	Share premium account £m	Cash flow hedge reserve £m	Other reserve £m	Profit and loss account £m
At 1 April 2015	1,331	17	280	3,726
Profit for the year	-	-	-	748
Other equity movements				
Scrip dividend related share issue	(5)	-	-	-
Purchase of treasury shares	-	-	-	(267)
Issue of treasury shares	-	-	-	16
Purchase of own shares	-	-	-	(6)
Share awards to employees of subsidiaries	-	-	22	-
Dividends paid to equity shareholders	-	-	-	(1,337)
At 31 March 2016	1,326	17	302	2,880
Profit for the year	-	-	-	8,197
Total other comprehensive loss for the year	-	(6)	-	-
Total comprehensive income for the year	-	(6)	-	8,197
Other equity movements				
Scrip dividend related share issue	(2)	-	-	-
Purchase of treasury shares	-	-	-	(189)
Issue of treasury shares	-	-	-	18
Purchase of own shares	-	-	-	(5)
Share awards to employees of subsidiaries	-	-	35	-
Dividends paid to equity shareholders	-	-	-	(1,463)
At 31 March 2017	1,324	11	337	9,438

10 Shareholders' equity and reserves

At 31 March 2017 the profit and loss account reserve stood at £9,438m (2016: £2,880m) of which £86m (2016: £86m) related to gains on intra-group transactions which was not distributable to shareholders.