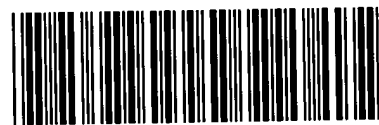


Company Registration Number: 3932833

National Grid Carbon Limited
Annual Report and Financial Statements
For the year ended 31 March 2018

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National Grid Carbon Limited
Strategic Report
For the year ended 31 March 2018

The Directors present their Strategic Report on National Grid Carbon Limited ('the Company') for the year ended 31 March 2018.

Review of the business

The Company's principal activities are in connection with initiatives in carbon capture and storage (CCS). CCS is an innovative technology designed to capture, transport and permanently store carbon dioxide emissions beneath the seabed.

Executive summary

The Company is a wholly owned subsidiary of National Grid plc created for the purposes of research and commercial exploitation of the transportation and storage of carbon dioxide emissions from the UK.

Results

The Company's profit for the financial year was £5,984,000 (2017: £2,570,000).

Financial position

The financial position of the Company is presented in the balance sheet. Total shareholders' deficit at 31 March 2018 was £25,329,000 (2017: £31,313,000) comprising current assets of £351,000 (2017: £785,000) less current liabilities of £25,680,000 (2017: £32,098,000).

Key performance indicators and principal risks and uncertainties

As the Company is part of a larger group, the management of the Company does not involve the use of key performance indicators, other than the profit or loss for the year, in measuring the development, performance or the position of the Company and the principal risks and uncertainties are integrated with the principal risks of National Grid plc. For information on the development, performance, risks, uncertainties and position of National Grid plc and its subsidiaries ('National Grid'), and of the key performance indicators used, refer to the Strategic Report included in National Grid plc's Annual Report and Accounts 2017/18, which does not form part of this report.

Future developments

Following the government announcement of its new approach to carbon capture, usage and storage (CCUS), Business Development are assessing the market opportunity with a view to maximise value from the development activity conducted by the Company.

The Strategic Report was approved by the Board of Directors and was signed by order of the Board on its behalf by:



M Barnes
Company Secretary
13 December 2018

National Grid Carbon Limited

Directors' Report

For the year ended 31 March 2018

The Directors present their Report and the audited financial statements of the Company for the year ended 31 March 2018.

Future developments

Details of future developments have been included within the Strategic Report on page 1.

Dividends

The Company has paid no interim ordinary dividends during the year (2017: £nil) and the Directors do not recommend payment of a final dividend (2017: £nil).

Financial risk management

The management of the Company and the execution of the Company's strategy are subject to a number of financial risks. The Directors have identified the need to manage the Company's material financial risks, including liquidity, interest rate cash flow and foreign exchange risks. These risks are monitored through a National Grid Treasury ('Treasury') management function which invests surplus funds, mitigates foreign exchange and interest rate exposure and manages borrowings for National Grid plc and its subsidiaries.

Treasury also seeks to limit third party counterparty risk which arises from the investment of surplus funds and the use of derivative financial instruments. Treasury monitors the exposure that National Grid has with any one counterparty against agreed limits and these limits are monitored regularly and updated for changes in credit ratings.

Liquidity risk

The Company finances its operations through intercompany loans to ensure that the Company has sufficient long-term and short-term funds available for current operations and future activities.

Interest rate cash flow risk

The Company has interest bearing intercompany liabilities. To the extent that the Company enters into intercompany loan agreements, the Company's exposure to interest rate cash flow risk arises on such loans on which interest is charged based upon sterling and euro LIBOR.

Foreign exchange risk

To the extent that the Company enters into intercompany loan agreements in currencies different to that of the Company's functional currency, there is an exposure to movements in exchange rates. At the balance sheet date the Company has an intercompany loan denominated in Euros.

Directors

The Directors of the Company during the year and up to the date of signing of the financial statements were:

M C Cook
I R Graves (Resigned 30 November 2017)

National Grid Carbon Limited

Directors' Report (continued)

For the year ended 31 March 2018

Directors' indemnity

National Grid has arranged, in accordance with the Companies Act 2006 and the Articles, qualifying third-party indemnities against financial exposure that Directors may incur in the course of their professional duties. Equivalent qualifying third-party indemnities were, and remain, in force for the benefit of those Directors who stood down from the Board in prior financial years for matters arising when they were Directors of the Company. Alongside these indemnities, National Grid places Directors' and Officers' liability insurance cover for each Director.

Going concern

The Company's business activities, together with the factors likely to affect its future development and financial position are set out within the Strategic Report. In addition within the Directors' Report there are details of the Company's financial risks that the Directors have highlighted as significant to the business.

As the Company is part of a larger group it participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. The Company is in a net liabilities position, but is expected to continue to be in a position to obtain finance via intercompany loans to continue to operate for the foreseeable future. In addition as indicated in note 12 to the financial statements, the immediate parent company, National Grid Holdings One plc, has confirmed its intention to support the Company. In completing this analysis the Directors have considered the ability of the National Grid group to provide such finance.

The Directors are not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Disclosure of information to auditors

Having made the requisite enquiries, so far as the Directors in office at the date of the approval of this report are aware, there is no relevant audit information of which the auditors are unaware and each Director has taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. This confirmation is given in accordance with the provisions of section 418 of the Companies Act 2006.

Auditors

At the 2017 Annual General meeting of National Grid plc, the Company's ultimate parent company, Deloitte LLP were appointed as external auditor to the group. Accordingly, Deloitte LLP were appointed auditor of the Company replacing PricewaterhouseCoopers LLP for the year ended 31 March 2018.

National Grid Carbon Limited

Directors' Report (continued)

For the year ended 31 March 2018

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors' Report was approved by the Board of Directors and was signed by order of the Board on its behalf by:



M Barnes
Company Secretary
13 December 2018

Registered office:
1-3 Strand
London
WC2N 5EH

Registered in England and Wales
Company registration number: 3932833

Independent auditor's report to the members of National Grid Carbon Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of National Grid Carbon Limited ('the Company') which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 12, which includes a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, 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 respect of these matters.

Independent auditor's report to the members of National Grid Carbon Limited (continued)

Responsibilities of Directors

As explained more fully in the statement of Directors' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:


- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

**Independent auditor's report to the members of
National Grid Carbon Limited (continued)**

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.


Jane Whitlock (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, UK
13 December 2018

National Grid Carbon Limited

Profit and loss account

For the year ended 31 March 2018

	Notes	2018 £'000	2017 £'000
Turnover	1(f)	1,149	2,915
Operating charges/ income		(237)	982
Operating profit	2	912	3,897
Interest receivable and similar income	4	8	-
Interest payable and similar charges	5	(183)	(685)
Profit before tax		737	3,212
Tax	6	5,247	(642)
Profit for the financial year		5,984	2,570

The results reported above relate to continuing activities.

There have been no other comprehensive income/losses during either the current or prior year other than as disclosed in the profit and loss account and therefore no separate statement of comprehensive income has been presented.

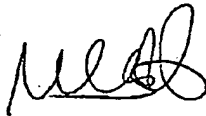
National Grid Carbon Limited

Balance sheet

As at 31 March 2018

	Notes	2018 £'000	2017 £'000
Current assets			
Debtors (amounts falling due within one year)	8	346	782
Cash at bank and in hand		5	3
Total current assets		<u>351</u>	<u>785</u>
Creditors (amounts falling due within one year)	9	(25,680)	(32,098)
Net current liabilities		<u>(25,329)</u>	<u>(31,313)</u>
Net liabilities		<u>(25,329)</u>	<u>(31,313)</u>
Equity			
Share capital	10	-	-
Profit and loss account		(25,329)	(31,313)
Total shareholders' deficit		<u>(25,329)</u>	<u>(31,313)</u>

The financial statements on pages 8 to 16 were approved by the Board of Directors on 13 December 2018 and signed on its behalf by:



M C Cook
Director

National Grid Carbon Limited
Company registration number: 3932833

National Grid Carbon Limited

Statement of changes in equity

For the year ended 31 March 2018

	Share capital £'000	Profit and loss account £'000	Total shareholders' deficit £'000
At 1 April 2016	-	(33,883)	(33,883)
Profit for the financial year	-	2,570	2,570
At 31 March 2017	<u>-</u>	<u>(31,313)</u>	<u>(31,313)</u>
Profit for the financial year	-	5,984	5,984
At 31 March 2018	<u><u>-</u></u>	<u><u>(25,329)</u></u>	<u><u>(25,329)</u></u>

National Grid Carbon Limited

Notes to the financial statements

For the year ended 31 March 2018

1 Summary of significant accounting policies

National Grid Carbon Limited is a private Company limited by shares. The nature of the Company's principal activities is set out in the Strategic Report on page 1. The Company is incorporated and domiciled in England with its registered office at 1-3 Strand, London, WC2N 5EH.

(a) Basis of preparation

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 (FRS 100) issued by the Financial Reporting Council. Accordingly, these financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101). In preparing these financial statements, the Company applies the recognition and measurement requirements of International Financial Reporting Standards (IFRS) as adopted by the EU, but makes amendments where necessary in order to comply with the Companies Act 2006 and sets out below where advantage of the FRS 101 disclosure exemptions has been taken.

These financial statements have been prepared in accordance with applicable UK accounting and financial reporting standards and the Companies Act 2006. They have been prepared on an historical cost basis and are presented in pounds sterling which is the currency of the primary economic environment in which the Company operates. The 2017 comparative financial information has also been prepared on this basis.

These financial statements have been prepared on a going concern basis, which presumes that the Company has adequate resources to remain in operation, and that the Directors intend for it to do so, for at least one year from the date the financial statements are signed.

As the Company is part of a larger group it participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. The Company is in a net liabilities position, but is expected to continue to be in a position to obtain finance via intercompany loans to continue to operate for the foreseeable future. In addition as indicated in note 12 to the financial statements, the immediate parent company, National Grid Holdings One plc, has confirmed its intention to support the Company. In completing this analysis the Directors have considered the ability of the National Grid group to provide such finance.

The Directors are not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

These financial statements are presented in the format as set out in the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).

In accordance with Section 400 of the Companies Act 2006, the Company is exempt from preparing consolidated financial statements, as it is included within the consolidated financial statements of National Grid plc.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements of the Company in accordance with FRS 101:

- a cash flow statement and related notes;
- disclosure in respect of transactions with National Grid plc and its subsidiaries;
- disclosure in respect of capital management; and
- the effects of new but not yet effective IFRSs.

National Grid Carbon Limited

Notes to the financial statements (continued)

For the year ended 31 March 2018

1 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

As the consolidated financial statements of National Grid plc which are available from the registered office, include the equivalent disclosures, the Company has taken the exemptions under FRS 101 in respect of certain disclosures required by IFRS 13 'Fair value measurement' and the disclosures required by IFRS 7 'Financial instruments disclosures'. The Company intends to apply the above exemptions in the financial statements for the year ending 31 March 2018.

The preparation of financial statements may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities and the reported amounts of income and expenses during the reporting period. Actual results could differ from these estimates.

There are no critical areas of judgement that are considered to have a significant effect on the amounts recognised in the financial statements.

The balance sheet has been prepared in accordance with the Company's accounting policies approved by the Board and described below.

(b) Fixed asset investment

Investments in subsidiary undertakings are recorded at cost less any provisions for impairment.

Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairments are calculated such that the carrying value of the fixed asset investment is the lower of its cost or recoverable amount. Recoverable amount is the higher of its net realisable value and its value-in-use.

(c) Tax

The tax credit/charge for the period is recognised in the profit and loss account, the statement of comprehensive income or directly in equity according to the accounting treatment of the related transaction. The tax credit/charge comprises both current and deferred tax.

Current tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amounts are those that have been enacted or substantively enacted by the reporting date.

The calculation of the total tax credit/charge involves a degree of estimation and judgement, and management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(d) Foreign currency transactions and balances

Transactions in currencies other than the functional currency of the Company are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at closing exchange rates. Gains and losses arising of retranslation of monetary assets and liabilities are included in the profit and loss account.

National Grid Carbon Limited

Notes to the financial statements (continued)

For the year ended 31 March 2018

1 Summary of significant accounting policies (continued)

(e) Financial instruments

Financial assets, liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into, and recognised on trade date. An equity instrument is any contract that includes a residual interest in the assets of the Company after deducting all of its liabilities and is recorded at the proceeds received, net of direct issue costs, with an amount equal to the nominal amount of the shares issued included in the share capital account.

Loans receivable and other receivables are initially recognised at fair value plus transaction costs and subsequently held at amortised cost using the effective interest method. A provision is established for impairments when there is objective evidence that the Company will not be able to collect all amounts due under the original terms of the loan. Interest income, together with gains and losses when the loans and receivables are derecognised or impaired, are recognised in the profit and loss account.

Borrowings, which include interest-bearing loans and overdrafts, are recorded at their initial fair value which normally reflects the proceeds received, net of direct issue costs less any repayments. Subsequently these are stated at amortised cost, using the effective interest method. Any difference between proceeds and the redemption value is recognised over the term of the borrowing in the profit and loss account using the effective interest method.

(f) Turnover

Turnover comprises grant income from the European Energy Programme for Recovery ('EEPR') and the Department of Energy and Climate Change ('DECC') for the research of carbon dioxide transportation infrastructure in the UK, in addition to income from the provision of research information to other third parties. Grant income is recognised when the conditions for receipt have been complied with and there is reasonable assurance that the grant will be received.

2 Operating profit

	2018	2017
	£'000	£'000
Operating profit is stated after charging		
Foreign exchange losses	-	111
Liabilities release	178	1,429
Services provided by the Company's auditors		
Audit fees of company	30	18
Audit fees of subsidiary	7	-

Disclosure of non-audit fees is not required as these have been disclosed in the consolidated financial statements of National Grid plc.

3 Directors and employees

The emoluments of the Directors are not paid to them in their capacity as Directors of the Company and are payable for services wholly attributable to other National Grid subsidiary undertakings. Accordingly, no details in respect of their emoluments have been included in these financial statements. During the year there was 1 Director (2017: 2) who exercised share options in or received ordinary shares as part of long term incentive plans of the ultimate parent company, National Grid plc.

There were no employees in the Company during the year (2017: none).

National Grid Carbon Limited
Notes to the financial statements (continued)
For the year ended 31 March 2018

4 Interest receivable and similar income

	2018 £'000	2017 £'000
Net gains on foreign currency denominated intercompany loans	<u>8</u>	<u>-</u>

5 Interest payable and similar charges

	2018 £'000	2017 £'000
Interest payable to immediate parent company	183	215
Net losses on derivative financial instruments and foreign currency denominated intercompany loans	-	67
Exchange losses on revaluation of foreign currency denominated loans with third parties	-	403
	<u>183</u>	<u>685</u>

6 Tax

	2018 £'000	2017 £'000
Current tax:		
UK corporation tax	140	642
Adjustments in respect of prior years	(5,387)	-
	<u>(5,247)</u>	<u>642</u>

The tax credit for the year is higher (2017: equivalent to) that the standard rate of corporation tax in the UK of 19% (2017: 20%). The differences are explained below:

	2018 £'000	2017 £'000
Profit before tax	<u>737</u>	<u>3,212</u>
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2017: 20%)	140	642
Effect of:		
Adjustments in respect of prior years	(5,387)	-
Total tax (credit)/charge for the year	<u>(5,247)</u>	<u>642</u>

Factors that may affect future tax charges

The Finance Act 2016 which was enacted on 15 September 2016 reduced the main rate of UK corporation tax to 17% with effect from 1 April 2020. Deferred tax balances have been calculated at this rate.

National Grid Carbon Limited
Notes to the financial statements (continued)
For the year ended 31 March 2018

7 Fixed asset investment

	Shares in a subsidiary undertaking £
Cost and net book value:	
At 1 April 2017 and 31 March 2018	1

The fixed asset investment at 31 March 2018 represents a 100% holding in the ordinary share capital of Carbon Sentinel Limited, a carbon storage business registered in England and Wales.

The Directors believe that the carrying value of the investment is supported by the value of the underlying net assets.

8 Debtors (amounts falling due within one year)

	2018 £'000	2017 £'000
Amounts owed by fellow subsidiary undertakings	7	160
Amounts owed by immediate parent company	273	264
Other tax and social security	-	10
Prepayments and accrued income	66	348
	346	782

Amounts owed by group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.

9 Creditors (amounts falling due within one year)

	2018 £'000	2017 £'000
Trade creditors	-	3
Amounts owed to fellow subsidiary undertakings	2	14
Amounts owed to immediate parent company	25,334	30,533
Accruals and deferred income	344	1,548
	25,680	32,098

Amounts owed to group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.

10 Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
1 (2017: 1) ordinary share of £1 each	1	1

In line with the provisions of the Companies Act 2006, the Company has amended its Articles of Association and ceased to have authorised share capital.

National Grid Carbon Limited

Notes to the financial statements (continued)

For the year ended 31 March 2018

11 Related party transactions

The Company is exempt under FRS 101.8(k) from disclosing transactions with National Grid plc and its subsidiary undertakings where all of the voting rights are held within the group. There were no related party transactions with other companies.

12 Ultimate parent company and financial support

The ultimate parent and controlling company is National Grid plc and the immediate parent company is National Grid Holdings One plc. The largest and smallest group which includes the Company and for which consolidated financial statements are prepared is headed by National Grid plc. Both of these companies are registered in England and Wales.

Copies of these consolidated financial statements can be obtained from the Company Secretary, National Grid plc, 1-3 Strand, London WC2N 5EH.

The immediate parent company, National Grid Holdings One plc, has confirmed its intention to ensure that the Company will be in a position to meet its liabilities for a period of not less than one year from the date of approval of these financial statements.