

NATIONAL GRID TRANSCO PLC
Form 6-K
March 04, 2005

SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER

PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

Date: 4 March 2005

NATIONAL GRID TRANSCO plc

(Registrant's Name)

1-3 Strand
London
WC2N 5EH

(Registrant's Address)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorised.

NATIONAL GRID TRANSCO plc

s/David C. Forward

By: _____

Name: David C Forward

Title: Assistant Secretary

Date: March 4, 2005

ANNEX 1 - SUMMARY

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

Report of Foreign Issuer

Pursuant to Rule 13a 16 or 15d 16 of

The Securities Exchange Act of 1934

Announcement sent to the London Stock Exchange on March 2005

National Grid Transco plc

("NGT")

1-3 Strand

London

WC2N 5EH

United Kingdom

Announcement:

'National Grid Transco plc

- International Financial Reporting Standards'

4 March 2005

National Grid Transco plc
International Financial Reporting Standards

National Grid Transco plc ("NGT" or the "Group") is today holding a presentation to brief analysts and investors on its implementation of International Financial Reporting Standards ("IFRS"). NGT will begin to report its group consolidated results under IFRS from 1 April 2005.

The adoption of IFRS will have a significant impact on NGT's future reported financial results, and is expected to lead to an increase in reported operating profit, profit before tax and earnings per share and a reduction in reported net assets. The table below illustrates the impact that the adoption of IFRS would have had on NGT's consolidated profit and loss account and net assets for the year ended March 2004 if IFRS had been adopted.

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Illustrative impacts of the adoption of IFRS by NGT for the year ended 31 March 2004

	----- Under IFRS	Under UK GAAP**
Underlying operating profit* (m pounds)	2,763	2,213
Underlying profit before taxation* (m pounds)	1,935	1,391
Underlying earnings per share* (pence)	46.0	33.9
Statutory operating profit (m pounds)	2,476	1,837
Statutory profit before taxation (m pounds)	1,874	1,337
Statutory earnings per share (pence)	47.0	35.0
Net assets at 31 March 2004 (m pounds)	1,014	1,271

 The adjustments are unaudited, are included for illustrative purposes only and may change as the finalises its analysis of the effect of IFRS.

The most significant areas to be impacted by the adoption of IFRS are the accounting treatments of replacement expenditure and regulatory assets. Other key areas that will be impacted include the treatments of pensions and other post retirement benefits, profits on disposal of properties, def taxation and goodwill.

The adoption of IFRS represents an accounting change only, and will not affect the operations, cashflows or distributable reserves of the Group. Similarly, there will be no impact on the regu asset values or regulatory agreements of any of the Group's businesses.

Commenting today, Steve Lucas, Group Finance Director, said:

"We regard these changes as positive in that they will enhance comparability with other European companies in our sector, not least in relation to the biggest change which concerns the treatment replacement expenditure."

An analyst presentation will be held at JPMorgan Cazenove, 20 Moorgate, London EC2A 6AD at 10:00am (UK time) today.

* The Group's definition of "underlying" changes from UK GAAP to IFRS. UK GAAP "underlying" resu exclude goodwill amortisation and exceptional items. Under IFRS, there is no goodwill amortisa and hence no need to exclude it for the purposes of showing "underlying" results. IFRS "underlyi results include profits or losses arising on the disposal of properties by SecondSite, the Group' property management business, which is considered to be part of the normal recurring operating activities of the Group. IFRS "underlying" results exclude other material, and significant non-recurring items or transactions that are similar in concept to exceptional items under UK GAA

** During the current financial year, the Group has implemented FRS20 (Share based payment). Th year results for 2003/04 under UK GAAP were announced in May 2004 before FRS20 had been impleme

Hence the figures for the financial year ended 2003/04 under UK GAAP shown in the table above restated for the impact of FRS20.

CONTACT DETAILS

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Live telephone coverage of presentation - password National Grid Transco

Dial in number +44 (0) 20 7081 9429

Telephone replay of presentation (available until 18 March 2005)

Dial in number +44 (0) 20 7081 9440
Account number 869448
Recording number 445445

Live and archived webcast of the presentation will be available at www.ngtgroup.com