Northern Ireland Electricity Networks Limited
(The NIE Networks Transmission, Distribution and Landbank Businesses)

For the year ended 31 March 2024

Summary Regulatory Accounts

CONTENTS

Statement of directors' responsibilities in respect of the Summary Regulatory Accounts

The directors of Northern Ireland Electricity Networks Limited (NIE Networks or the "Company") are responsible for preparing the Summary Regulatory Accounts in accordance with the basis of preparation and accounting policies in note 2 for compliance with Condition 2 of the Company's Participate in Transmission Licence and Electricity Distribution Licence (together the "Licences").

The Company is required under the Licences to prepare Summary Regulatory Accounts for each financial year which present fairly the assets, liabilities, reserves and provisions of, or reasonably attributable to, the separate businesses as defined for that purpose in the Licences and of the revenues, costs and cash flows of, or reasonably attributable to, those businesses for that period.

The directors must not approve the Summary Regulatory Accounts unless they are satisfied that they have been properly prepared, in all material respects, in accordance with the basis of preparation and accounting policies in note 2 to the Summary Regulatory Accounts. In preparing the Summary Regulatory Accounts, the directors are responsible for:

- selecting suitable accounting policies and then applying them consistently;
- ensuring consistency between the bases of charge, apportionment or allocation from those applied in respect of the previous financial year unless previously directed by the Northern Ireland Authority for Utility Regulation ("UR");
- making judgements and accounting estimates that are reasonable and prudent;
- stating the basis of preparation and accounting policies applied; and
- preparing the Summary Regulatory Accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are 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 are also 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.

Independent Auditor's Report to Northern Ireland Electricity Networks Limited ("NIE Networks")

Report on the audit of the Summary Regulatory Accounts

Opinion
In our opinion the Regulatory financial statements (the 'Summary Regulatory Accounts') of Northern Ireland Electricity Networks Limited (the 'Company') for the year ended 31 March 2024 have been properly prepared, in all material respects, in accordance with the financial reporting provisions of Condition 2 of the Company's licenses to participate in the Transmission and Distribution of Electricity as agreed with the Department for the Economy (the 'Licences') and issued by the Regulator, and with the accounting policies stated in notes 1 and 2 in the Summary Regulatory Accounts.

We have audited the Summary Regulatory Accounts which comprise:

- the income statement;
- the net asset statement;
- the cash flow statement; and
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is the accounting policies stated in note 1 and 2.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), including ISA (UK) 800. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the Summary Regulatory Accounts section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Summary Regulatory Accounts in the UK, including the Financial Reporting Council's (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.

Emphasis of matter – basis of accounting

We draw attention to Notes 1 and 2 to the Summary Regulatory Accounts, which describes the basis of accounting and is a special purpose framework. The Summary Regulatory Accounts are prepared to assist the Company in complying with the financial reporting provisions of Condition 2 of the Licences. As a result, the Summary Regulatory Accounts may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

Conclusions relating to going concern
In auditing the Summary Regulatory Accounts, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the Summary Regulatory Accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the Summary Regulatory Accounts are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Responsibilities of directors
As explained more fully in the statement of directors' responsibilities in respect of the Summary Regulatory Accounts, the directors are responsible for the preparation of the Summary Regulatory Accounts in accordance with the financial reporting provisions of Condition 2 of the Licences and issued by the Regulator, and for such internal control as the directors determine is necessary to enable the preparation of the Summary Regulatory Accounts that are free from material misstatement, whether due to fraud or error.
In preparing the Summary Regulatory Accounts, 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 Summary Regulatory Accounts
Our objectives are to obtain reasonable assurance about whether the Summary Regulatory Accounts 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 Summary Regulatory Accounts.

A further description of our responsibilities for the audit of the Summary Regulatory Accounts is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the Company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the Summary Regulatory Accounts. These included the UK Companies Act 2006, tax legislation and pensions legislation, and;
- do not have a direct effect on the Summary Regulatory Accounts but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included the Company's Licences and environmental regulations.

We discussed among the audit engagement team and relevant internal specialists such as tax, valuations, pensions, and IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: 'Valuation of unbilled consumption', 'Capitalisation of overheads' and the 'Valuation of asset retirement obligation' and our procedures to address them are described below:

Valuation of unbilled consumption

- We evaluated the design and determined the implementation of relevant controls over the process of valuing the unbilled consumption; and
- We assessed the historical consumption patterns used as a basis for the unbilled consumption for completeness and accuracy.

Capitalisation of overheads

- We evaluated the design and determined the implementation of relevant controls over the capitalisation of overheads;
- We assessed managements criteria for cost capitalisation and the accuracy of the inputs to management's calculations applied to the overhead allocation model; and
- We challenged the appropriateness of changes in the model and capitalisation rates used year on year.

Valuation of asset retirement obligation

- We evaluated the design and determined the implementation of relevant controls over the asset retirement obligation calculation and over the data used within the calculation; and
- We assessed and challenged the methodologies and key assumptions (including the disposal cost per pole, the period over which poles will be disposed of, and the use of an appropriate discount rate) used in determining the provision.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing the Summary Regulatory Accounts disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Use of our report

This report is made for and only for the Company's directors, as a body, in order to meet the requirements of Condition 2 of the Licences and for the benefit of the Regulator in connection with their regulatory function, in accordance with our engagement letter dated 13 June 2024. Our audit work has been undertaken so that we might state to the Company and the Regulator those matters that we have agreed to state to them in our report, in order (a) to assist the Company to meet its obligation under its Licences to procure such a report and (b) to facilitate the carrying out by the Regulator of its regulatory functions, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility for anyone other than the Company for our audit work, for this report or for the opinions we have formed.

Other matters

The nature, form and content of the Summary Regulatory Accounts are determined by the Regulator. As a result, the Summary Regulatory Accounts may not be suitable for another purpose. It is not appropriate for us to assess whether the nature of the information being reported upon is suitable or appropriate for the Regulator's purposes. Accordingly, we make no such assessment.

The Summary Regulatory Accounts are separate from the Group Statutory Financial Statements and have not been prepared in accordance with United Kingdom adopted international accounting standards. Financial information other than that prepared on the basis of United Kingdom adopted international accounting standards does not necessarily represent a true and fair view of the financial performance or financial position of the Company as shown in statutory financial statements prepared in accordance with the Companies Act 2006.

Our opinion on the Summary Regulatory Accounts is separate from our opinion on the Group Statutory Financial Statements on which we reported on 13 March 2024, which are prepared for a different purpose. Our audit report in relation to the Group Statutory Financial Statements was made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our Statutory Audit work was undertaken so that we might state to the Company's members those matters we are required to state to them in a statutory audit report and for no other purpose.

Grace Cartin

Grace Cartin (Senior Statutory Auditor)
For and on behalf of Deloitte (NI) Ltd
Chartered Accountants and Statutory Audit Firm
Statutory Auditor
Lincoln Building
27 – 45 Great Victoria Street
Belfast
BT2 7AQ
17 June 2024

NORTHERN IRELAND ELECTRICITY NETWORKS LIMITED
Summary Regulatory Accounts

INCOME STATEMENT
for the year ended 31 March 2024

	Notes	Transmission 2024 £m	Transmission 2023 £m	Distribution 2024 £m	Distribution 2023 £m	Landbank 2024 £m	Landbank 2023 £m	Total 2024 £m	Total 2023 £m
Revenue									
Sales to Power NI		-	-	98.9	78.1	-	-	98.9	78.1
Sales to Power NI PPB		-	-	28.0	36.7	-	-	28.0	36.7
Other external sales		62.8	48.6	115.0	86.0	0.3	0.3	178.1	134.9
Sales to NIE Networks businesses		-	-	0.1	0.1	(0.1)	0.8	-	0.9
Sales to ESB group undertakings		-	-	42.5	41.2	-	-	42.5	41.2
Amortisation of customer contributions		4.6	4.3	15.3	14.8	-	-	19.9	19.1
Total Revenue		67.4	52.9	299.8	256.9	0.2	1.1	367.4	310.9
Operating costs	3	(34.6)	(30.5)	(177.9)	(158.2)	(0.2)	(1.1)	(212.7)	(189.8)
OPERATING PROFIT		32.8	22.4	121.9	98.7	-	-	154.7	121.1
Finance income		2.4	1.0	7.9	3.4	-	-	10.3	4.4
Finance costs		(13.2)	(10.0)	(44.3)	(35.1)	-	-	(57.5)	(45.1)
Net pension scheme interest		0.4	0.1	3.6	1.4	-	-	4.0	1.5
Net finance costs		(10.4)	(8.9)	(32.8)	(30.3)	-	-	(43.2)	(39.2)
PROFIT BEFORE TAX		22.4	13.5	89.1	68.4	-	-	111.5	81.9
Tax charge		(2.5)	(1.5)	(25.9)	(15.7)	-	-	(28.4)	(17.2)
PROFIT AFTER TAX		19.9	12.0	63.2	52.7	-	-	83.1	64.7

NORTHERN IRELAND ELECTRICITY NETWORKS LIMITED
Summary Regulatory Accounts

NET ASSET STATEMENT As at 31 March 2024

	Note	Transmission 2024 £m	Transmission 2023 £m	Distribution 2024 £m	Distribution 2023 £m	Landbank 2024 £m	Landbank 2023 £m	Total 2024 £m	Total 2023 £m
Non-current assets									
Property, plant and equipment	4	**519.2**	475.2	**1,721.4**	1,641.2	**-**	-	**2,240.6**	2,116.4
Right of use assets	5	**1.4**	1.4	**14.4**	14.2	**-**	-	**15.8**	15.6
Intangible assets	6	**5.1**	4.6	**17.6**	16.0	**-**	-	**22.7**	20.6
Deferred tax asset	7	**-**	-	**-**	-	**1.2**	1.3	**1.2**	1.3
Derivative financial assets		**66.2**	70.6	**219.5**	243.8	**-**	-	**285.7**	314.4
Defined benefit pension scheme surplus		**13.3**	16.3	**44.1**	56.2	**-**	-	**57.4**	72.5
		605.2	568.1	**2,017.0**	1,971.4	**1.2**	1.3	**2,623.4**	2,540.8
Current assets									
Short-term investments		**-**	38.2	**-**	131.8	**-**	-	**-**	170.0
Inventories	8	**5.4**	4.2	**18.0**	14.5	**-**	-	**23.4**	18.7
Trade and other receivables	9	**16.6**	12.7	**55.0**	44.0	**-**	-	**71.6**	56.7
Derivative financial assets		**0.4**	47.3	**1.3**	163.2	**-**	-	**1.7**	210.5
Other financial assets	10	**0.6**	0.6	**2.1**	2.1	**-**	-	**2.7**	2.7
Cash and cash equivalents	11	**16.7**	(18.9)	**163.6**	104.6	**0.1**	-	**180.4**	85.7
		39.7	84.1	**240.0**	460.2	**0.1**	-	**279.8**	544.3
TOTAL ASSETS		**644.9**	652.2	**2,257.0**	2,431.6	**1.3**	1.3	**2,903.2**	3,085.1
Current liabilities									
Trade and other payables	12	**24.2**	16.9	**80.3**	58.3	**-**	-	**104.5**	75.2
Lease liabilities	5	**0.2**	0.2	**2.2**	1.6	**-**	-	**2.4**	1.8
Deferred income	13	**5.2**	4.8	**17.4**	16.7	**-**	-	**22.6**	21.5
Derivative financial liabilities		**0.4**	47.3	**1.3**	163.2	**-**	-	**1.7**	210.5
Other financial liabilities	14	**7.3**	7.5	**24.3**	25.8	**2.7**	2.7	**34.3**	36.0
Provisions	15	**0.4**	0.4	**1.4**	1.5	**0.1**	0.1	**1.9**	2.0
		37.7	77.1	**126.9**	267.1	**2.8**	2.8	**167.4**	347.0
Non-current liabilities									
Deferred income	13	**131.5**	124.3	**435.9**	429.1	**-**	-	**567.4**	553.4
Lease liabilities	5	**1.3**	1.3	**13.5**	13.3	**-**	-	**14.8**	14.6
Derivative financial liabilities		**66.2**	70.6	**219.5**	243.8	**-**	-	**285.7**	314.4
Other financial liabilities	14	**253.8**	245.8	**841.6**	848.8	**-**	-	**1,095.4**	1,094.6
Deferred tax liabilities	7	**33.6**	33.2	**111.6**	114.9	**-**	-	**145.2**	148.1
Provisions	15	**7.4**	8.0	**24.6**	27.4	**-**	-	**32.0**	35.4
		493.8	483.2	**1,646.7**	1,677.3	**-**	-	**2,140.5**	2,160.5
TOTAL LIABILITIES		**531.5**	560.3	**1,773.6**	1,944.4	**2.8**	2.8	**2,307.9**	2,507.5

NET ASSET STATEMENT (continued)
As at 31 March 2024

	Transmission		Distribution		Landbank		Total	
	2024 £m	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m
NET ASSETS / (LIABILITIES)	**113.4**	91.9	**483.4**	487.2	**(1.5)**	(1.5)	**595.3**	577.6

The accounts on pages 7-36 were approved by the Directors on 12 June 2024 and signed on its behalf by:

Derek H

Director: Derek Hynes

Date: 13 June 2024

CASH FLOW STATEMENT
for the year ended 31 March 2024

	Transmission		Distribution		Landbank		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
	£m	£m	**£m**	£m	**£m**	£m	**£m**	£m
Cash flows from operating activities:								
Profit before tax	**22.4**	13.5	**89.1**	68.4	**-**	-	**111.5**	81.9
Adjustments for:					**-**			
Net finance costs	**10.4**	8.9	**32.8**	30.3	**-**	-	**43.2**	39.2
Depreciation of property, plant and equipment	**21.2**	19.4	**70.4**	67.1	**-**	-	**91.6**	86.5
Depreciation of right of use assets	**0.3**	0.3	**3.0**	2.9	**-**	-	**3.3**	3.2
Amortisation of customer contributions and grants	**(4.8)**	(4.6)	**(16.1)**	(16.0)	**-**	-	**(20.9)**	(20.6)
Amortisation of intangible assets	**1.2**	1.1	**3.8**	3.7	**-**	-	**5.0**	4.8
Defined benefit pension charge less contributions paid	**(3.0)**	(4.4)	**(11.2)**	(14.9)	**-**	-	**(14.2)**	(19.3)
Net movement in provisions	**(0.1)**	0.1	**(0.3)**	(0.8)	**-**	0.1	**(0.4)**	(0.6)
Operating cash flows before movement in working capital	**47.6**	34.3	**171.5**	140.7	**-**	0.1	**219.1**	175.1
Decrease in working capital	**(3.9)**	(3.8)	**(12.6)**	(13.1)	**0.1**	(0.2)	**(16.4)**	(17.1)
Cash generated from operations	**43.7**	30.5	**158.9**	127.6	**0.1**	(0.1)	**202.7**	158.0
Interest received	**2.8**	0.3	**9.3**	1.1	**-**	-	**12.1**	1.4
Interest paid	**(13.1)**	(7.9)	**(43.5)**	(27.3)	**-**	-	**(56.6)**	(35.2)
Lease interest paid	**(0.1)**	-	**(0.6)**	(0.4)	**-**	-	**(0.7)**	(0.4)
Net cash flows generated from operating activities	**33.3**	22.9	**124.1**	101.0	**0.1**	(0.1)	**157.5**	123.8
Cash flows used in investing activities:								
Purchase of property, plant and equipment	**(35.2)**	(46.7)	**(183.5)**	(139.4)	**-**	-	**(218.7)**	(186.1)
Purchase of intangible assets	**(0.7)**	(0.4)	**(6.4)**	(5.8)	**-**	-	**(7.1)**	(6.2)
Contributions received in respect of property, plant and equipment	**8.4**	6.9	**27.8**	23.7	**-**	-	**36.2**	30.6
Short-term investments	**39.4**	(38.2)	**130.6**	(131.8)	**-**	-	**170.0**	(170.0)
Net cash flows used in investing activities	**11.9**	(78.4)	**(31.5)**	(253.3)	**-**	-	**(19.6)**	(331.7)

NORTHERN IRELAND ELECTRICITY NETWORKS LIMITED
Summary Regulatory Accounts

CASH FLOW STATEMENT (continued)
for the year ended 31 March 2024

	Transmission		Distribution		Landbank		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
	£m	£m	**£m**	£m	**£m**	£m	**£m**	£m
Cash flows (used in) / generated from financing activities								
Dividend paid to shareholder	**(9.4)**	(8.2)	**(31.1)**	(28.4)	**-**	-	**(40.5)**	(36.6)
Loans from fellow NIE Networks undertakings	**-**	77.7	**-**	268.1	**-**	0.1	**-**	345.9
Receipt of borrowings from ESB	**-**	11.9	**-**	41.1	**-**	-	**-**	53.0
Repayment of borrowings from ESB	**-**	(18.6)	**-**	(64.4)	**-**	-	**-**	(83.0)
Payment of lease liabilities	**(0.2)**	(0.3)	**(2.5)**	(2.7)			**(2.7)**	(3.0)
Net cash flows (used in) / generated from financing activities	**(9.6)**	62.5	**(33.6)**	213.7	**-**	0.1	**(43.2)**	276.3
Net increase in cash and cash equivalents	**35.6**	7.0	**59.0**	61.4	**0.1**	-	**94.7**	68.4
Cash and cash equivalents at the beginning of year	**(18.9)**	(25.9)	**104.6**	43.2	**-**	-	**85.7**	17.3
Cash and cash equivalents at the end of the year	**16.7**	(18.9)	**163.6**	104.6	**0.1**	-	**180.4**	85.7

1. GENERAL INFORMATION

Northern Ireland Electricity Networks Limited (NIE Networks or the 'Company') is a limited company incorporated and domiciled in Northern Ireland. These Summary Regulatory Accounts report on NIE Networks' Transmission Owner, Distribution and Landbank businesses and are separate from NIE Networks' statutory accounts which are prepared on a consolidated basis including the Company's subsidiary businesses. The Summary Regulatory Accounts have been prepared in accordance with a special purpose framework for the directors of the Company as agreed with the Utility Regulator and in accordance with Condition 2 of the Company's Licences. The accounting disclosures are compliant with the Company's Licence requirements. The accounts are presented in sterling (£) with all values rounded to the nearest £100,000 except where otherwise indicated.

2. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these accounts are set out below. These policies have been applied consistently to all years presented, unless otherwise stated.

Basis of preparation

These Summary Regulatory Accounts have been prepared under the historical cost convention except for the following:

- financial derivative instruments are measured at fair value through profit or loss; and
- defined benefit pension plan assets are measured at fair value.

In preparing the Summary Regulatory Accounts for the year ended 31 March 2024 the directors of the Company (after consultation with the Utility Regulator) have allocated revenue and operating costs to each of the Transmission Owner and Distribution Businesses on the basis of actual revenue and operating costs incurred by each separate business where clearly identifiable with any residual amounts being apportioned to the respective businesses based on the agreed activity levels in the Regulatory Instructions and Guidance ("RIGs"). Net assets have been allocated 23%:77% in proportion to the respective Transmission and Distribution businesses' Regulatory Asset Bases (RABs) at the closing year end dates (2023 - 22%:78%). Where clearly identifiable, capital expenditure incurred in the current year is allocated to each separate business, with any residual amounts apportioned in line with RIGs.

Going concern

The Company is financed through a combination of equity and subsidiary undertaking finance. The subsidiary undertaking finance at the period end comprised of facilities of £350.0m, £400.0m and £350.0m (£349.2m, £399.3m and £346.0m respectively net of issue costs) which are due to mature in October 2025, June 2026 and December 2032 respectively. The Company also has access to a £100.0m Revolving Credit Facility with its ultimate parent, none of which was drawn down at 31 March 2024. The RCF is due to mature in December 2025.

On the basis of their assessment of the Company's financial position, which included a review of the Company's projected funding requirements for a period of at least 12 months from the date of approval of the Summary Regulatory Accounts (which included assessment of plausible potential downside sensitivities), the directors have a reasonable expectation that the Company will have adequate financial resources for the period. Accordingly, the directors continue to adopt the going concern basis in preparing the Summary Regulatory Accounts.

Property, plant and equipment

Property, plant and equipment is included in the balance sheet at cost, less accumulated depreciation and any recognised impairment loss. The cost of self-constructed assets includes the cost of materials, direct labour and an appropriate portion of overheads. Overheads are initially expensed to the income statement with a portion being capitalised based on an assessment of the costs incurred that are attributable to the capital work performed. Interest on funding attributable to significant capital projects is capitalised during the period of construction provided it meets the relevant recognition criteria and is written off as part of the total cost of the asset.

Freehold land is not depreciated. Other property, plant and equipment are depreciated on a straight-line basis so as to write off the cost, less estimated residual values, over their estimated useful economic lives as follows:

Infrastructure assets - up to 40 years

2. ACCOUNTING POLICIES (continued)

Property, plant and equipment (continued)
Non-operational buildings - freehold and long leasehold - up to 60 years
Fixtures and equipment - up to 10 years
Vehicles and mobile plant – up to 5 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Where the carrying value exceeds the estimated recoverable amount, the asset is written down to its recoverable amount.

The recoverable amount of property, plant and equipment is the greater of net selling price and value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Impairment losses are recognised in the income statement.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its continued use. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net selling price and the carrying amount of the asset.

The treatment of costs related to asset retirement obligations, including capitalisation and depreciation of relevant costs, is detailed in the Provisions policy below.

Right of use assets and lease liabilities
On entering a new lease contract, the Company recognises a right of use asset and a liability to pay future rentals. The liability is measured at the present value of future lease payments discounted at the applicable incremental borrowing rate. The right of use asset is depreciated over the shorter of the term of the lease and the useful economic life, subject to review for impairment.

The low value and short-term lease exemptions have been applied. The associated lease payments are expensed to the income statement as they are incurred.

Intangible assets - Computer software
The cost of acquiring computer software is capitalised and amortised on a straight-line basis over its estimated useful economic life which is between three and ten years. Costs include direct labour relating to software development and an appropriate portion of directly attributable overheads. Interest on funding attributable to significant capital projects is capitalised during the period of construction provided it meets the recognition criteria in IAS 23 and is written off as part of the total cost of the asset.

The carrying value of computer software is reviewed for impairment annually when the asset is not yet in use and subsequently when events or changes in circumstances indicate that the carrying value may not be recoverable.

Gains or losses arising from de-recognition of computer software are measured as the difference between the net selling price and the carrying amount of the asset.

Inventories
Inventories are stated at the lower of cost and net realisable value. Cost is calculated as the weighted average purchase price. Net realisable value is the estimated value for use in the ordinary course of business. Provisions are made for obsolete or slow-moving items of inventory.

Financial instruments
The accounting policies for the financial instruments of the Company are set out below.

The Company classifies its financial instruments into one of the categories discussed below, depending on the purpose for which the instrument was acquired. The Company's accounting policy for each category is as follows:

2. ACCOUNTING POLICIES (continued)

Financial instruments (continued)
Fair value through profit or loss
This category comprises derivative assets and liabilities. Derivatives are carried in the balance sheet at fair value with changes in fair value recognised in the income statement within net finance costs.

Financial assets measured at amortised cost
Assets measured at amortised cost principally arise from the provision of services to customers (trade receivables) but also incorporate other types of financial assets where the objective is to hold assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The Company's financial assets are initially recorded at fair value. After initial recognition, financial assets are measured at amortised cost comprising of trade and other receivables, cash and cash equivalents.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with maturities of three months or less.

Cash and cash equivalent balances are allocated between the Transmission, Distribution and Landbank businesses based on the cumulative impact of the specific allocation rules applied to the individual line items in the cash flow statement and a RAB reapportionment is not applied. As a result of this allocation approach, an individual business may appear to be in an overdrawn position for the purpose of these Summary Regulatory Accounts. Where the total cash balance of NIE Networks is positive, all cash balances are presented as current assets.

Short-term investments
Short-term investments comprise deposits with maturities of three to six months. These deposits are placed for varying periods of between three and six months depending on the cash requirements of the Company, and earn interest at the respective short-term deposit rates.

Trade and other receivables
Trade receivables do not carry any interest. The Company assesses, on a forward-looking basis, the expected credit losses associated with trade receivables. The Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Other financial liabilities
Other financial liabilities include bank borrowings and bonds. The Company's other financial liabilities are initially recorded at fair value and are subsequently carried at amortised cost.

Interest bearing loans and overdrafts
Interest bearing loans and overdrafts are initially recorded at fair value, being the proceeds received net of direct issue costs. After initial recognition, interest bearing loans are subsequently measured at amortised cost using the effective interest method.

Trade and other payables
Trade and other payables are not interest bearing. The Company's trade and other payables are initially recorded at fair value and subsequently carried at their amortised cost.

Borrowing costs
Borrowing costs attributable to significant capital projects are capitalised as part of the cost of the respective qualifying assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Revenue
Revenue is principally derived through charges for use of the distribution system (DUoS) levied on electricity suppliers and transmission service charges (TSC) mainly for use of the transmission system levied on System

2. ACCOUNTING POLICIES (continued)

Revenue (continued)
Operator for Northern Ireland (SONI). NIE Networks is a regulated business, earning revenue primarily from an allowed return on its Regulated Asset Base (RAB). Revenue is recognised when the Company has satisfied its performance obligations in respect of the contract with the customer. Revenue is measured based on the consideration specified in a contract with a customer. The following specific recognition criteria must also be met before revenue is recognised:

Distribution Use of System (DUoS) revenue
DUoS revenue is recognised over time in line with the use of the system by consumers under the schedule of entitlement set by the Utility Regulator for each tariff period. Any outstanding billed and unbilled usage for DUoS is included within Use of System receivable at the balance sheet date. Revenue includes an assessment of the volume of electricity distributed, estimated using historical consumption patterns.

Transmission service charge revenue
Revenue is earned by maintaining the transmission assets to facilitate the effective operation by SONI. For this fixed price contract, revenue is recognised over time on a straight-line basis in line with the schedule of entitlement set by the Utility Regulator for each tariff period and a Use of System receivable is recognised on the balance sheet.

Public Service Obligation revenue
Included within the Company's operating profit are revenues and costs associated with the Public Service Obligation (PSO) charges which are fully recoverable (including amounts paid under the Northern Ireland Sustainable Energy Programme), albeit there are timing differences between the receipt of revenue / payment of costs and the recovery of those amounts through the PSO charges.

PSO revenue is earned over time in line with the use of system by consumers under the schedule of entitlement set by the Utility Regulator for each tariff period. In addition to PSO tariff revenues, the Company recognises income received from the Power Procurement Business (PPB) at a point in time as the Company does not have control over the amount or timing of receipt of PPB revenues.

Customers' contributions
Customers' contributions received in respect of property, plant and equipment are deferred and released to revenue in the income statement by instalments over the estimated useful lives of the related assets.

Interest receivable
Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Government grants
Government grants received in respect of property, plant and equipment are deferred and released to operating costs in the income statement by instalments over the estimated useful economic lives of the related assets. Grants received in respect of expenditure charged to the income statement during the period are included in the income statement.

Tax
The tax charge represents the sum of tax currently payable and deferred tax. Tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the tax is also dealt with in equity.

Tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes both items of income or expense that are taxable or deductible in other years as well as items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date.

2. ACCOUNTING POLICIES (continued)

Tax (continued)
Deferred tax is the tax payable or recoverable on differences between the carrying amount of assets and liabilities in the accounts and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is not recognised on temporary differences where they arise from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date.

Provisions
Provisions are recognised when (i) the Company has a present obligation (legal or constructive) as a result of a past event (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and (iii) a reliable estimate can be made of the amount of the obligation. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is included within finance costs.

The Company considers the implication of known or potential changes in industry requirements and regulations – including the potential impact of climate change – when assessing where a provision is required.

Provision for asset retirement obligations
The provision for retirement and decommissioning of creosote treated wood poles represents the present value of the current estimate of the costs of the disposal of the poles at the end of their useful lives. The estimated costs of asset retirement obligations are recognised in full at the outset of the asset life, but discounted to present values using an appropriate risk-free pre-tax discount rate. The costs are capitalised in property, plant and equipment and are depreciated over the useful economic lives of the assets to which they relate unless the related asset has reached the end of its useful life. Any subsequent changes in the liability in respect of assets that have reached the end of their useful life will be recognised in the income statement as they occur. The costs are reviewed each year and amended as appropriate. Any future amendments to the discounted estimated costs will be accounted for within the relevant assets and depreciated over the remaining life of those assets to the extent that the assets are still in use. As the costs are capitalised and initially provided on a discounted basis, the provision will be increased by a financing charge in each future period, which will be calculated based on the provision balance and discount rate applied at the last measurement date (updated annually) and included in the income statement as a financing charge. In this way, the provision will equal the estimated disposal costs at the end of the useful economic lives of the assets. The actual expenditure will be set against the provision as obligations are met. The provision for asset retirement obligations is included within current or non-current provisions as appropriate on the balance sheet.

Pensions and other post-retirement benefits
Employees of the Company are offered membership of the Northern Ireland Electricity Pension Scheme (NIEPS) which has both defined benefit and defined contribution pension arrangements. The amount recognised in the

2. ACCOUNTING POLICIES (continued)

Pensions and other post-retirement benefits (continued)
balance sheet in respect of liabilities represents the present value of the obligations offset by the fair value of assets. Pension scheme assets are measured at fair value and liabilities are measured using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the liabilities. Full actuarial valuations are obtained at least triennially and updated at each balance sheet date. Re-measurements comprising of actuarial gains and losses and return on plan assets are recognised immediately in the period in which they occur and are presented in the statement of comprehensive income. Re-measurements are not reclassified to profit or loss in subsequent periods.

The cost of providing benefits under the defined benefit scheme is charged to the income statement over the periods benefiting from employees' service. These costs comprise current service costs, past service costs, gains or losses on curtailments and non-routine settlements, all of which are recognised in operating costs. Past service costs are recognised immediately to the extent that the benefits are already vested. Curtailment losses are recognised in the income statement in the period they occur.

Net pension interest on net pension scheme liabilities is included within net finance costs. Net interest is calculated by applying the discount rate to the net pension asset or liability.

Pension costs in respect of defined contribution arrangements are charged to the income statement as they become payable.

Critical accounting judgements and key sources of estimation uncertainty
Management considers that their use of estimates, assumptions and judgements in the application of the Company's accounting policies are inter-related and therefore discuss them together below; with the major sources of estimation uncertainty and significant judgements separately identified.

Pensions and other post-employment benefits (Estimate and judgement)
The estimation of and accounting for retirement benefit obligations involves judgements made in conjunction with independent actuaries. This involves estimates about uncertain future events including the life expectancy of scheme members, future salary and pension increases and inflation as well as discount rates.

The Company has recognised an accounting surplus on the defined benefit pension scheme in line with the most recent IAS 19 valuation on the basis of the Company's assessment that it has the right to recover any remaining surplus on the eventual winding up of the pension scheme. The expected method of recovery is anticipated to be through a refund when the Scheme is eventually wound up following gradual settlement of the Scheme's liabilities.

Management have reviewed the Scheme rules and made the judgement that the Company has the unconditional right to any refund that might arise on the eventual settlement of the Scheme's liabilities. In making this judgement, the Company is of the view that no other party has the unilateral right to wind-up the Scheme or amend the ultimate liabilities of the Scheme.

Asset retirement obligations (Estimate and judgement)
There is significant estimation required in determining the level of provision required for the disposal of creosote treated wood poles. This includes estimating the disposal cost per pole, which will be determined via competitive tender processes, the period over which poles will be disposed of which is dependent on pole condition and the use of an appropriate discount rate. The period over which poles are disposed of is estimated based on estimated useful economic life which could change significantly in the future as a result of operational plans, environmental legislation or pole condition.

Fair value measurement (Judgement)
The measurement of the Group's derivative financial instruments is based on a number of judgmental factors and assumptions which by necessity are not based on observable inputs. These have been classified as Level 2 financial instruments in accordance with IFRS 13.

2. ACCOUNTING POLICIES (continued)

Critical accounting judgements and key sources of estimation uncertainty (continued)

Other accounting judgements and sources of estimation uncertainty

The Summary Regulatory Accounts include other areas of judgement and accounting estimates which do not meet the definition under IAS 1 of significant accounting estimates or critical judgements, but for which the recognition and measurement of certain material assets and liabilities are based on assumptions or judgements that are subject to longer-term uncertainties.

Unbilled debt (Estimate)
Revenue includes an assessment of the volume of electricity distributed but not yet invoiced, estimated using historical consumption patterns. A corresponding receivable in respect of unbilled consumption is recognised within trade receivables.

Useful economic lives (Estimate and judgement)
The measurement of Plant, Property & Equipment, Intangible assets and Right of Use assets requires a degree of estimation and judgement, including the estimation of useful economic lives and residual values. These items are estimated in accordance with the accounting policies of the Company and current UK-adopted international accounting standards. In addition, the Company considers the implication of known or potential changes in industry requirements and regulations – including the potential impact of climate change – when assessing the useful economic lives of assets.

3. OPERATING COSTS

	Transmission		Distribution		Landbank		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
	£m	£m	**£m**	£m	**£m**	£m	**£m**	£m
Staff costs	**3.5**	2.9	**36.5**	29.5	**-**	-	**40.0**	32.4
Depreciation and amortisation	**22.6**	20.7	**77.0**	73.4	**-**	-	**99.6**	94.1
Power NI charges	**-**	-	**0.5**	0.2	**-**	-	**0.5**	0.2
Other operating costs	**8.5**	6.9	**63.9**	55.1	**0.2**	1.1	**72.6**	63.1
	34.6	30.5	**177.9**	158.2	**0.2**	1.1	**212.7**	189.8

4. PROPERTY, PLANT AND EQUIPMENT

	Transmission £m	Distribution £m	Landbank £m	Total £m
Cost:				
At 1 April 2023	795.6	2,747.8	-	3,543.4
Additions	35.4	185.6	-	221.0
Decrease in asset retirement obligation	(1.2)	(4.0)	-	(5.2)
Re-apportionment on RAB values	41.2	(41.2)	-	-
At 31 March 2024	871.0	2,888.2	-	3,759.2
Depreciation:				
At 1 April 2023	320.4	1,106.6	-	1,427.0
Charge for year	21.2	70.4	-	91.6
Re-apportionment on RAB values	10.2	(10.2)	-	-
At 31 March 2024	351.8	1,166.8	-	1,518.6
Net Book Value:				
At 31 March 2023	475.2	1,641.2	-	2,116.4
At 31 March 2024	**519.2**	**1,721.4**	**-**	**2,240.6**

5. RIGHT OF USE ASSETS AND LEASE LIABILITIES

	Transmission £m	Distribution £m	Landbank £m	Total £m
Cost:				
At 1 April 2023	2.3	22.4	-	24.7
Additions	0.4	4.4	-	4.8
Disposals	(0.2)	(2.6)	-	(2.8)
Modification of terms	(0.1)	(1.1)	-	(1.2)
At 31 March 2024	2.4	23.1	-	25.5
Depreciation:				
At 1 April 2023	0.9	8.2	-	9.1
Charge for year	0.3	3.0	-	3.3
Eliminated on disposals	(0.2)	(2.5)	-	(2.7)
At 31 March 2024	1.0	8.7	-	9.7
Net Book Value:				
At 31 March 2023	1.4	14.2	-	15.6
At 31 March 2024	**1.4**	**14.4**	**-**	**15.8**
Lease liabilities				
Current	0.2	2.2	-	2.4
Non-current	1.3	13.5	-	14.8
	1.5	**15.7**	**-**	**17.2**

6. INTANGIBLE ASSETS

	Transmission £m	Distribution £m	Landbank £m	Total £m
Cost:				
At 1 April 2023	29.5	101.9	-	131.4
Additions	0.7	6.4	-	7.1
Re-apportionment on RAB values	1.8	(1.8)	-	-
At 31 March 2024	32.0	106.5	-	138.5
Amortisation:				
At 1 April 2023	24.9	85.9	-	110.8
Amortisation charge for year	1.2	3.8	-	5.0
Re-apportionment on RAB values	0.8	(0.8)	-	-
At 31 March 2024	26.9	88.9	-	115.8
Net Book Value:				
At 31 March 2023	4.6	16.0	-	20.6
At 31 March 2024	**5.1**	**17.6**	**-**	**22.7**

7. DEFERRED TAX

	Transmission		Distribution		Landbank		Total	
	2024 £m	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m
Deferred tax assets								
At 1 April 2023	-	-	-	0.2	**1.3**	1.4	**1.3**	1.6
Decrease in provision	-	-	-	-	**(0.1)**	(0.1)	**(0.1)**	(0.1)
At 31 March 2024	-	-	-	0.2	**1.2**	1.3	**1.2**	1.5
Deferred tax liabilities								
At 1 April 2023	**33.2**	30.5	**115.1**	110.3	-	-	**148.3**	140.8
(Decrease)/Increase in provision	**(0.7)**	1.7	**(2.4)**	5.8	-	-	**(3.1)**	7.5
Re-apportionment on RAB values	**1.1**	1.0	**(1.1)**	(1.0)	-	-	-	-
At 31 March 2024	**33.6**	33.2	**111.6**	115.1	-	-	**145.2**	148.3
Net deferred tax (liability)/asset	**(33.6)**	(33.2)	**(111.6)**	(114.9)	**1.2**	1.3	**144.0**	(146.8)

8. INVENTORIES

	Transmission		Distribution		Landbank		Total	
	2024 £m	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m
Materials and consumables	**5.4**	4.2	**18.0**	14.5	-	-	**23.4**	18.7
	5.4	4.2	**18.0**	14.5	-	-	**23.4**	18.7

9. TRADE AND OTHER RECEIVABLES

	Transmission		Distribution		Landbank		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
	£m	£m	**£m**	£m	**£m**	£m	**£m**	£m
Trade receivables (incl. unbilled consumption)	**14.2**	9.8	**47.1**	33.9	-	-	**61.3**	43.7
Other receivables	**-**	-	**0.1**	-	-	-	**0.1**	-
Amounts owed by ESB group undertakings	**0.8**	0.7	**2.6**	2.5	-	-	**3.4**	3.2
Amounts owed by parent undertakings	**-**	0.4	**-**	1.5	-	-	**-**	1.9
Prepayments and accrued income	**1.6**	1.8	**5.2**	6.1	-	-	**6.8**	7.9
	16.6	12.7	**55.0**	44.0	-	-	**71.6**	56.7

10. OTHER FINANCIAL ASSETS

	Transmission		Distribution		Landbank		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
	£m	£m	**£m**	£m	**£m**	£m	**£m**	£m
Current								
Intra-group loans receivable	**0.6**	0.6	**2.1**	2.1	**-**	-	**2.7**	2.7

11. CASH AND CASH EQUIVALENTS

	Transmission		Distribution		Landbank		Total	
	2024 £m	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m
Cash at bank and in hand	**-**	-	**1.1**	6.3	**0.1**	-	**1.2**	6.3
Deposit account	**16.7**	(18.9)	**162.5**	98.3	**-**	-	**179.2**	79.4
	16.7	(18.9)	**163.6**	104.6	**0.1**	-	**180.4**	85.7

12. TRADE AND OTHER PAYABLES

	Transmission		Distribution		Landbank		Total	
	2024 £m	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m
Trade payables	**5.2**	3.7	**17.3**	12.9	**-**	-	**22.5**	16.6
Payments received on account	**7.7**	5.4	**25.6**	18.5	**-**	-	**33.3**	23.9
Taxation and social security	**2.0**	1.6	**6.6**	5.4	**-**	-	**8.6**	7.0
Accruals	**6.7**	5.1	**22.1**	17.5	**-**	-	**28.8**	22.6
Amounts owed to group undertaking	**0.5**	-	**1.7**	-	**-**	-	**2.2**	-
Amounts owed to ESB group undertakings	**-**	-	**-**	0.1	**-**	-	**-**	0.1
Other payables	**2.1**	1.1	**7.0**	3.9	**-**	-	**9.1**	5.0
	24.2	16.9	**80.3**	58.3	**-**	-	**104.5**	75.2

13. DEFERRED INCOME

	Transmission £m	Distribution £m	Landbank £m	Total £m
Current	4.8	16.7	-	21.5
Non-current	124.3	429.1	-	553.4
Total at 1 April 2023	129.1	445.8	-	574.9
Receivable	8.3	27.7		36.0
Released to income statement	(4.8)	(16.1)		(20.9)
Re-apportionment on RAB values	4.1	(4.1)	-	-
Total at 31 March 2024	**136.7**	**453.3**	**-**	**590.0**
Current	**5.2**	**17.4**	**-**	**22.6**
Non-current	**131.5**	**435.9**	**-**	**567.4**
Total at 31 March 2024	**136.7**	**453.3**	**-**	**590.0**
Deferred income at 31 March 2024 comprises:				
Grants	0.6	2.1	-	2.7
Customer contributions	136.1	451.2	-	587.3
	136.7	**453.3**	**-**	**590.0**

14. OTHER FINANCIAL LIABILITIES

	Transmission		Distribution		Landbank		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
	£m	£m	**£m**	£m	**£m**	£m	**£m**	£m
Current								
Intra-group loans	**-**	-	**-**	-	**2.7**	2.7	**2.7**	2.7
Interest payable to NIE Networks undertaking	**7.3**	7.5	**24.3**	25.8	**-**	-	**31.6**	33.3
	7.3	7.5	**24.3**	25.8	**2.7**	2.7	**34.3**	36.0
Non-current								
Amounts owed to NIE Networks undertaking	**253.8**	245.8	**841.6**	848.8	**-**	-	**1,095.4**	1,094.6
	253.8	245.8	**841.6**	848.8	**-**	-	**1,095.4**	1,094.6

15. PROVISIONS

	Transmission £m	Distribution £m	Landbank £m	Total £m
Current	0.4	1.5	0.1	2.0
Non-current	8.0	27.4	-	35.4
Total at 1 April 2023	8.4	28.9	0.1	37.4
Applied in the year	(0.1)	(0.4)	-	(0.5)
Increase in provision	0.3	1.0	-	1.3
Unwinding of discount on provision	0.2	0.7		0.9
Change in assumptions	(1.2)	(4.0)	-	(5.2)
Re-apportionment on RAB values	0.2	(0.2)	-	-
Total at 31 March 2024	**7.8**	**26.0**	**0.1**	**33.9**
Current	**0.4**	**1.4**	**0.1**	**1.9**
Non-current	**7.4**	**24.6**	**-**	**32.0**
Total at 31 March 2024	**7.8**	**26.0**	**0.1**	**33.9**
Provisions at 31 March 2024 comprise:				
Environmental	0.2	0.8	0.1	1.1
Liability and damage claims	0.7	2.4	-	3.1
Litigation	0.3	1.0	-	1.3
Asset retirement obligation	6.6	21.8	-	28.4
	7.8	26.0	0.1	33.9

SUPPLEMENTARY INFORMATION

This document includes supplementary information as required by the Licences.

Appendix 1	Historical data used in calculation of maximum regulated revenue for RP6 (unaudited)

HISTORICAL DATA USED IN THE CALCULATION OF MAXIMUM REGULATED DISTRIBUTION REVENUE FOR RP6

Required by Paragraph 12.23 of Annex 2 of Northern Ireland Electricity Ltd: Electricity Distribution Licence

Information for 'Actuals Inp' and 'Licence Inp' tabs of the RP6 Financial Model. Figures are in Nominal Prices (unless otherwise stated).

	31/03/2018 £m	31/03/2019 £m	31/03/2020 £m	31/03/2021 £m	31/03/2022 £m	31/03/2023 £m	31/03/2024 £m
RP6 DISTRIBUTION LICENCE – ANNEX 2							
4.17 Qualifying Capex Expenditure amount - QCE_X_t							
Qualifying Capex Expenditure amount - QCE_DN_t	32.426	75.952	77.398	63.966	67.818	91.589	126.571
Qualifying Capex Expenditure amount - QCE_$MTRN_t$	4.534	5.557	5.629	5.569	6.481	6.996	7.862
Qualifying Capex Expenditure amount - QCE_$D5Y_t$	4.489	13.215	9.450	11.342	13.969	12.272	14.426
4.21 Pass Through Capex Expenditure amount - PTCE_X_t							
Capex Connections amount - CC_DN_t	0.193	2.996	3.241	2.020	5.089	5.229	7.058
4.28 Capex Disposal amount - CD_X_t							
Historic timeline	**31/03/2013**	**31/03/2014**	**31/03/2015**	**31/03/2016**	**31/03/2017**	**30/09/2017**	
Outturn Capex Disposal Amount - OCD_DN_t	0.032	0.000	0.049	0.000	0.000	0.000	
Current timeline	**31/03/2018**	**31/03/2019**	**31/03/2020**	**31/03/2021**	**31/03/2022**	**31/03/2023**	**31/03/2024**
Outturn Capex Disposal Amount - OCD_DN_t	0.000	0.000	0.000	0.004	0.015	1.306	0.000
4.32 Allowed capex for 5 Year D.RAB - AC_D5Yt							
Additional Allowed Capex for 5-year Distribution RAB -	0.000	0.000	0.000	1.614	0.643	0.000	0.000
4.35 Volume of properties with undereaves service - UV_t							
Volume of properties with undereaves service - UV_t	1,464	3,530	2,110	261	1,970	5,295	4,436
4.37 Additional allowed capex – ACDR_X_t							
Additional allowed capex - ACDR_DN_t	0.000	0.000	0.000	0.000	1.436	15.867	40.111
Additional allowed capex - ACDR_$D5Y_t$	0.000	2.611	2.666	1.809	2.358	1.655	11.210
4.46 Metering Volume units - MV_C_t							
Meter installs/changes							
Credit	14,059	26,533	26,019	17,976	27,032	30,906	28,581
Keypad	10,293	18,575	18,203	13,296	16,122	15,585	17,132
Commercial	1,183	2,491	2,036	1,556	1,627	1,774	3,234

HISTORICAL DATA USED IN THE CALCULATION OF MAXIMUM REGULATED DISTRIBUTION REVENUE FOR RP6 (continued)

	31/03/2018 £m	31/03/2019 £m	31/03/2020 £m	31/03/2021 £m	31/03/2022 £m	31/03/2023 £m	31/03/2024 £m
RP6 DISTRIBUTION LICENCE – ANNEX 2 (continued)							
4.46 Metering Volume units - MV_C_t (continued)							
Meter Recertification							
Credit	21,596	4,693	15,186	12,946	14,553	8,781	12,113
Keypad	10,972	12,725	12,336	8,321	9,775	11,858	13,807
Commercial	1,269	3,013	3,144	6,786	4,823	2,423	2,408
Commercial: 110/33kv Bulk Supply Point and S/Station metering	2	22	39	3	0	2	0
Commercial: Power Stations >100MW Metering	0	0	3	0	0	0	0
Commercial: Generator metering <100MW and >1MW	3	9	2	4	7	0	0
Commercial: HV Demand customer Metering >1MW	22	42	2	9	35	6	0
Commercial: HV Demand customer Metering <1MW	4	19	0	15	21	7	0
Commercial: Teleswitch/Telemeter replacement programme	0	0	0	773	1,591	1,039	162
Commercial: Northern Ireland Customer Load Profiles	0	0	0	0	0	1,016	0
Meter Replacement for theft							
Meter Replacement for theft	2,283	4,474	2,388	569	470	894	549
4.53 Allowed capex amount - ACCOL_X_t							
Allowed capex for change of law - ACCOL_D5Y_t (15/16 Price Base)	0.000	0.310	0.004	0.018	0.000	0.000	0.000
6.3 Qualifying Opex Expenditure amount - QOE_t							
Qualifying Opex Expenditure amount - QOE_t	34.067	59.649	59.203	59.899	57.560	64.496	76.751
6.7 Pass Through Opex Expenditure amount - $PTOE_t$							
Opex Licence Fee amount - OLF_t	0.767	1.554	1.425	1.296	1.228	1.563	1.924
Opex Connections amount - OC_t	0.533	(0.029)	(0.007)	0.617	0.116	0.001	(0.050)
6.15 Allowed Opex Other amount - AOO_t							
Allowed Opex Other amount - Injurious Affection - IA_t	0.028	0.000	0.000	0.000	0.000	0.000	0.000
Allowed Opex Other amount - Changes of Law - COL_t	0.106	0.175	0.179	0.177	0.176	0.213	0.000
Allowed Opex Other amount – Additional IT Systems - NES_t	0.000	0.000	0.000	0.000	0.293	0.709	0.752
9.1 Tax Amount - TAX_t †							
Capital allowances - CA_t	26.037	55.916	49.089	50.909	53.566	56.951	63.052

HISTORICAL DATA USED IN THE CALCULATION OF MAXIMUM REGULATED DISTRIBUTION REVENUE FOR RP6 (continued)

	31/03/2018 £m	31/03/2019 £m	31/03/2020 £m	31/03/2021 £m	31/03/2022 £m	31/03/2023 £m	31/03/2024 £m
RP6 DISTRIBUTION LICENCE – ANNEX 2 (continued)							
10.1 Revenue Protection Services Incentive amount - $RPSI_t$							
Revenue Protection Services Revenue - $RPSR_t$	**0.304**	**0.471**	**0.168**	**0.245**	**0.267**	**0.180**	**0.261**
11 Correction Factor amount - K_t							
Actual Regulated Distribution Revenue Recovered – $ARP6_t$	**115.257**	**195.273**	**206.637**	**220.310**	**214.208**	**213.376**	**274.218**
Average Specified Rate - I_t	**0.67%**	**0.70%**	**0.10%**	**0.21%**	**2.40%**	**5.06%**	**5.25% †**

Values for other Licence Terms as per Annex 2 of Northern Ireland Electricity Ltd: Electricity Distribution Licence.
Values for all remaining Licence Terms deemed zero.

† :- Provisional figures, subject to change

HISTORICAL DATA USED IN THE CALCULATION OF MAXIMUM REGULATED TRANSMISSION REVENUE FOR RP6

Required by Paragraph 12.23 of Annex 2 of Northern Ireland Electricity Ltd: Participate in Transmission Licence

Information for 'Actuals Inp' and 'Licence Inp' tabs of the RP6 Financial Model. Figures are in Nominal Prices (unless otherwise stated).

	31/03/2018 £m	31/03/2019 £m	31/03/2020 £m	31/03/2021 £m	31/03/2022 £m	31/03/2023 £m	31/03/2024 £m
RP6 TRANSMISSION LICENCE – ANNEX 2							
4.17 Qualifying Capex Expenditure amount - QCE_X_t							
Qualifying Capex Expenditure amount - QCE_TN_t	9.142	11.383	10.045	10.197	12.944	15.127	12.508
Qualifying Capex Expenditure amount - QCE_RN_t	0.333	0.692	3.215	2.009	23.297	24.902	18.863
Qualifying Capex Expenditure amount - QCE_T5Y_t	0.122	0.489	0.574	0.732	0.802	1.072	0.991
4.21 Pass Through Capex Expenditure amount - $PTCE\_X_t$							
Capex Connections amount - CC_RN_t	2.390	(0.509)	2.005	0.222	(2.557)	0.490	1.074
Use of shared asset charge - $CCSA\_RN_t$	0.000	0.000	0.000	0.000	3.225	0.000	0.000
4.33 Additional allowed capex - $ACTR\_X_t$							
Additional allowed capex - $ACTR\_TN_t$ (15/16 Price Base)	0.433	1.443	2.802	4.261	21.484	30.044	17.594
6.3 Qualifying Opex Expenditure amount - QOE_t							
Qualifying Opex Expenditure amount - QOE_t	4.229	7.271	8.121	7.493	8.150	8.997	8.828
6.7 Pass Through Opex Expenditure amount - $PTOE_t$							
Opex Licence Fee amount - OLF_t	0.192	0.389	0.356	0.324	0.307	0.391	0.481
Opex Connections amount - OC_t	0.017	0.000	(0.000)	0.000	(0.014)	(0.000)	0.000
6.15 Allowed Opex Other amount - AOO_t							
Allowed Opex Other amount - Injurious Affection - IA_t	0.000	0.101	0.316	0.080	0.267	0.244	0.031
Allowed Opex Other amount - Changes of Law - COL_t	0.013	0.016	0.016	0.018	0.025	0.027	0.000
9.1 Tax Amount - TAX_t †							
Capital allowances - CA_t	6.674	13.589	10.698	10.910	12.497	14.628	15.949

HISTORICAL DATA USED IN THE CALCULATION OF MAXIMUM REGULATED TRANSMISSION REVENUE FOR RP6 (continued)

	31/03/2018 £m	31/03/2019 £m	31/03/2020 £m	31/03/2021 £m	31/03/2022 £m	31/03/2023 £m	31/03/2024 £m
RP6 TRANSMISSION LICENCE – ANNEX 2 (continued)							
11 Correction Factor amount - K_t							
Actual Regulated Transmission Revenue Recovered – $ARP6_t$	**18.451**	**40.441**	**44.641**	**44.460**	**43.900**	**47.621**	**61.701**
Average Specified Rate - I_t	**0.67%**	**0.70%**	**0.10%**	**0.21%**	**2.40%**	**5.06%**	**5.25% †**

Values for other Licence Terms as per Annex 2 of Northern Ireland Electricity Ltd: Participate in Transmission Licence.
Values for all remaining Licence Terms deemed zero.

† :- Provisional figures, subject to change

HISTORICAL DATA USED IN THE CALCULATION OF MAXIMUM REGULATED PSO AMOUNT FOR RP6

Required by Paragraph 6.17 of Annex 1 of Northern Ireland Electricity Ltd: Electricity Distribution Licence

Figures are in Nominal Prices (unless otherwise stated).

	31/03/2018 £m	31/03/2019 £m	31/03/2020 £m	31/03/2021 £m	31/03/2022 £m	31/03/2023 £m	31/03/2024 £m
RP6 DISTRIBUTION LICENCE – ANNEX 1							
3.5 Maximum Regulated PSO Amount - $MPSOR_t$							
PPB Amount - PPB_t	(10.610)	(6.800)	(20.200)	0.000	(9.880)	(36.700)	(28.000)
NIE Energy Supply Amount - $Supply_t$	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Land Bank Amount - LB_t	(0.415)	0.051	0.106	0.559	0.390	0.804	(0.058)
Excluded PSO Amount - D_t	3.596	6.254	8.701	5.874	8.967	9.179	8.311
5 Correction Factor amount - K_t							
Actual Regulated PSO Amount Recovered - $APSOR_t$	2.931	2.997	(5.014)	(7.171)	(9.324)	(17.217)	(30.972)
Average Specified Rate - I_t	0.67%	0.70%	0.10%	0.21%	2.40%	5.06%	5.25% †

† :- Provisional figures, subject to change