

3 PROFIT FOR THE YEAR

Other operating income includes compensation for the late commissioning of plants, billings in respect of operations and maintenance services and profit on sale of development sites. Other operating expenses comprise corporate costs, Group-wide general administrative overheads and project development expenses.

	Year ended 31 December 2006 £m	Year ended 31 December 2005 £m
Profit for the year is stated after charging/(crediting):		
Amortisation of other intangible assets	105	40
Depreciation of property, plant and equipment	168	148
Development costs, net of recoveries and amounts capitalised	3	3
Operating exceptional items before tax (note 8)	(55)	(110)
Liquidated damages and insurance recoveries for property, plant and equipment	6	–
Property lease rentals payable (net of recoveries)	3	3
Auditors' remuneration		
Audit of these financial statements	0.8	0.7
Amounts receivable by auditors and their associates in respect of:		
Audit of financial statements of subsidiaries pursuant to legislation	1.7	1.1
Other services pursuant to such legislation	1.4	0.4
Other services relating to taxation	0.1	0.1
Services relating to corporate finance transactions entered into or proposed to be entered into by or on behalf of the Company or the Group	0.2	0.4
	4.2	2.7

'Other services pursuant to such legislation' in 2006 and 2005 relates principally to reporting to the Securities and Exchange Commission (SEC), interim reviews and additional audit work relating to the Group's compliance with the requirements of Section 404 of the Sarbanes-Oxley Act 2002 (which relate to internal controls over financial reporting).

'Services relating to corporate finance transactions' incorporate due diligence assistance on potential and completed acquisitions during the year and reviews of financial models for funding purposes.

The Audit Committee and the firm of external auditors have safeguards in place to avoid the possibility that the auditors' objectivity and independence could be compromised. These safeguards include the implementation of a policy on the use of the external auditor for non-audit related services. This policy incorporates the provisions of the Sarbanes-Oxley Act 2002 and subsequent SEC rules.

Where it is deemed that the work to be undertaken is of a nature that is generally considered reasonable to be completed by the auditor of the Group for sound commercial and practical reasons, the conduct of such work will be permissible provided that it has been pre-approved by the Audit Committee. Examples of pre-approved services include the completion of regulatory audits, provision of taxation and regulatory advice, reporting to the SEC and the completion of certain financial due diligence work. All these services are also subject to a predefined fee limit. Any work performed in excess of this limit must be approved by the Chief Financial Officer and the Audit Committee.