

13 OTHER INTANGIBLE ASSETS

	31 December 2006 £m	31 December 2005 £m
Intangible assets		
Commodity contracts	131	194
Emission allowances	58	–
Carrying amount at 31 December	189	194

The above intangible assets balance can be analysed as follows:

	31 December 2006 £m	31 December 2005 £m
Intangible assets – commodity contracts		
Cost		
At 1 January	234	–
Acquisition of subsidiaries	39	234
Exchange differences	(1)	–
At 31 December	272	234
Accumulated amortisation		
At 1 January	40	–
Charge for the year	101	40
At 31 December	141	40
Carrying amount		
At 1 January	194	–
At 31 December	131	194
Intangible assets – emission allowances		
Carrying amount		
At 1 January	–	–
Additions	39	25
Acquisition of subsidiaries	64	–
Charge for the year	(4)	–
Disposals	(39)	(25)
Exchange differences	(2)	–
At 31 December	58	–

Commodity contracts are amortised over the period in which benefits are expected to arise. The addition in 2006 relates to commodity contracts acquired as part of the acquisitions of Coletto Creek and Indian Queens.

The Group has recognised any allocated emission allowances net of the fair value of the grant. As a result, no net asset or liability is shown on the balance sheet at initial recognition. The amortisation of any emission allowances purchased or acquired through business combinations is charged to cost of sales in the income statement over the period in which benefits are expected to arise. Emission allowances acquired as part of the acquisition of Coletto Creek amount to £64 million.

As part of the European Union (EU) Emissions Trading Scheme (EUETS), designed to reduce greenhouse gas emissions in the EU over the medium term, the Group was granted emission allowances amounting to £49 million in respect of the year ended 31 December 2006 (2005: £55 million).