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 2005 £m	Year ended 31 December 2004 £m
Profit for the year is stated after charging/(crediting):		
Amortisation of other intangible assets	**40**	–
Depreciation of property, plant and equipment	**148**	85
Development costs, net of recoveries and amounts capitalised	**3**	3
Operating exceptional items before tax (note 8)	**(110)**	(11)
Property lease rentals payable (net of recoveries)	**3**	2

Auditors' remuneration – statutory audit:		
Fees due to the lead auditor KPMG Audit Plc	**1.6**	1.2
Fees due to other auditors	**0.2**	0.6
	1.8	1.8

Auditors' remuneration – other fees paid to the lead auditors and their associates for services (Group and Company):

Audit related regulatory reporting services	**0.4**	0.4
Further assurance services	**0.5**	0.2

Fees paid to the lead auditor, KPMG Audit Plc, in respect of the statutory audit of the Company was £0.7 million (2004: £0.7 million).

Expenditure on audit related regulatory reporting services in 2005 and 2004 principally related to reviews of the interim financial statements, US regulatory reporting requirements and the transition to IFRS.

Further assurance services in 2005 and 2004 related principally to due diligence assistance. In 2005, fees of £0.1 million were paid to KPMG Audit Plc in respect of due diligence assistance and capitalised as part of acquisition costs relating to Saltend. During 2004, additional fees of £1.3 million were paid to KPMG Audit Plc for assurance services provided in connection with the Group's acquisitions of the international assets of Edison Mission Energy (EME). These fees were capitalised as part of the costs of acquisition.

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 Securities and Exchange Commission (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.