

16 OTHER INVESTMENTS

	31 December 2006 £m	31 December 2005 £m
Investments available for sale	26	4

The Group owns debt instruments and minority shareholdings in a number of businesses related to power generation and fuel supply activities in Europe and Asia. The debt instruments are stated at fair value based on an estimate of the discounted cash flows. The equity instruments are not quoted but are shares in privately owned companies. Therefore the fair value of the equity instruments cannot be measured reliably and the carrying amount has been determined by using the cost of acquiring the shares in these companies.

17 FINANCE LEASE RECEIVABLES

	31 December 2006 £m	31 December 2005 £m	Present value of minimum lease payments	
			31 December 2006 £m	31 December 2005 £m
Minimum lease payments:				
Within one year	110	48	33	12
Later than one year and not later than five years	428	192	144	57
After five years	1,398	649	834	391
	1,936	889	1,011	460
Add: unguaranteed residual value (after five years)	75	–		
Gross investment in the lease	2,011	889		
Less: unearned finance income	(925)	(429)		
Total finance lease receivables	1,086	460		
Analysed as:				
Non-current finance lease receivables (recoverable after 12 months)	1,053	448		
Current finance lease receivables (recoverable within 12 months)	33	12		
Total finance lease receivables	1,086	460		
Analysed as:				
Present value of minimum lease payments	1,011	460		
Add: unguaranteed residual value	75	–		
Total finance lease receivables	1,086	460		

Rentals receivable under finance leases by the Group during the year amounted to £63 million (2005: £48 million). Excluding assets which are constructed by the Group, the cost of assets acquired by the Group during the year for onward finance leasing was £281 million (2005: £nil).

International Power's business is the generation of electricity. Sometimes the Group enters into arrangements such as long-term PPAs to secure contracted revenues for a long period of time. Some of these arrangements are determined to be or to contain finance leases. The average term of the finance leases entered into is usually a substantial portion of the asset's useful economic life.

Unguaranteed residual values of assets leased under finance leases at the balance sheet date are estimated at £75 million (2005: £nil).

The interest rate inherent in the lease is fixed at the contract date for all of the lease term. The average effective interest rate contracted is approximately 8% per annum.

The fair value of the Group's finance lease receivables as at 31 December 2006 is estimated at £1,114 million (2005: £460 million) based on discounting estimated cash flows at the market rate.

18 OTHER LONG-TERM RECEIVABLES

	31 December 2006 £m	31 December 2005 £m
Total other long-term receivables	94	67