

23. Provisions

	Aircraft financing £m	Warranties and after-sales service £m	Reorganisations – ongoing operations £m	Legal costs, environmental and other £m	Total £m
Non-current	–	82	14	175	271
Current	52	65	38	269	424
At 1 January 2007	52	147	52	444	695
Created	105	48	14	238	405
Released	(49)	(23)	(13)	(94)	(179)
Utilised	(20)	(22)	(25)	(114)	(181)
Provisions and fair values arising on acquisitions (note 31)	–	9	–	61	70
On disposals	–	(5)	–	–	(5)
Discounting	–	–	–	7	7
Exchange adjustments	(3)	2	–	(2)	(3)
Other provision movements	–	1	–	(1)	–
At 31 December 2007	85	157	28	539	809
Represented by:					
Non-current	65	93	4	237	399
Current	20	64	24	302	410
	85	157	28	539	809

Aircraft financing

The provision includes probable exposures under residual value guarantees issued by the Group on previous sales transactions. Further information is provided in note 24. Such costs are generally incurred within five years.

Warranties and after-sales service

Warranties and after-sales service are provided in the normal course of business with provisions for associated costs being made based on an assessment of future claims with reference to past experience. Such costs are generally incurred within three years post-delivery.

Reorganisations – ongoing operations

The costs associated with the reorganisation programmes are supported by detailed plans and based on previous experience as well as other known factors. Such costs are generally incurred within one to three years.

Legal costs, environmental and other provisions

The Group holds provisions for expected legal, environmental and other costs that it expects to incur over an extended period. These costs are based on past experience of similar items and other known factors and represent management's best estimate of the likely outcome.

Included within legal costs, environmental and other is £75m (2006 £82m) in respect of the cash-settled elements of certain of the Group's share option schemes (note 26). The costs in respect of this liability are expected to occur over the next five years.