

Consolidated statement of changes in equity for the year ended 31 March

	Share capital £m	Share premium account £m	Cumulative exchange reserve £m	Merger reserve £m	Retained earnings £m	Total £m
At 1 April 2016	499.8	2.9	(5.7)	329.7	1,878.8	2,705.5
Profit after tax	–	–	–	–	433.9	433.9
Other comprehensive (expense)/income						
Remeasurement losses on defined benefit pension schemes (see note 18)	–	–	–	–	(76.7)	(76.7)
Tax on items taken directly to equity (see note 6)	–	–	–	–	17.3	17.3
Foreign exchange adjustments	–	–	3.7	–	–	3.7
Total comprehensive income	–	–	3.7	–	374.5	378.2
Dividends (see note 8)	–	–	–	–	(263.1)	(263.1)
Equity-settled share-based payments (see note 2)	–	–	–	–	3.4	3.4
Exercise of share options – purchase of shares	–	–	–	–	(2.4)	(2.4)
At 31 March 2017	499.8	2.9	(2.0)	329.7	1,991.2	2,821.6

	Share capital £m	Share premium account £m	Cumulative exchange reserve £m	Merger reserve £m	Retained earnings £m	Total £m
At 1 April 2015	499.8	2.9	(8.7)	329.7	1,610.7	2,434.4
Profit after tax	–	–	–	–	397.5	397.5
Other comprehensive (expense)/income						
Remeasurement gains on defined benefit pension schemes (see note 18)	–	–	–	–	160.1	160.1
Tax on items taken directly to equity (see note 6)	–	–	–	–	(26.5)	(26.5)
Foreign exchange adjustments	–	–	3.0	–	–	3.0
Total comprehensive income	–	–	3.0	–	531.1	534.1
Dividends (see note 8)	–	–	–	–	(258.7)	(258.7)
Equity-settled share-based payments (see note 2)	–	–	–	–	2.3	2.3
Exercise of share options – purchase of shares	–	–	–	–	(6.6)	(6.6)
At 31 March 2016	499.8	2.9	(5.7)	329.7	1,878.8	2,705.5

The merger reserve arose in the year ended 31 March 2009 on consolidation and represents the capital adjustment to reserves required to effect the reverse acquisition of United Utilities PLC by United Utilities Group PLC.