

	2012 \$m	2011 \$m
Note 35 – Reserves		
Employee equity benefits	2.6	0.6
Hedging	19.4	(97.3)
Other	–	(0.4)
	22.0	(97.1)

Movement in reserves

Employee equity benefits reserve

Balance at beginning of financial year	0.6	4.7
Share-based payment plans expense	6.4	2.0
Purchase of shares on-market under AGL Share Reward Plan	(1.1)	(1.6)
Purchase of shares on-market under AGL Long-Term Incentive Plan	(3.3)	(4.5)
Balance at end of financial year	2.6	0.6

The employee equity benefits reserve is used to record the value of share-based payments to employees, including key management personnel, as part of their remuneration. Refer to Note 49 for further information on share-based payment plans.

Hedging reserve

Balance at beginning of financial year	(97.3)	(163.6)
Gain/(loss) arising on changes in fair value of cash flow hedges	14.1	(118.4)
Income tax related to gains/(losses) recognised in other comprehensive income	(4.2)	35.5
Cumulative loss arising on changes in fair value of cash flow hedges reclassified to profit or loss	115.9	178.4
Income tax related to amounts reclassified to profit or loss	(34.8)	(55.2)
Transferred to initial carrying amount of hedged item	40.3	4.6
Income tax related to amounts transferred to initial carrying amount of hedged item	(12.1)	(1.4)
Share of (loss)/gain in reserve attributable to an associate	(38.7)	22.8
Cumulative loss reclassified to profit or loss of pre-existing equity interest in an acquired entity	36.2	–
Balance at end of financial year	19.4	(97.3)

The hedging reserve represents the cumulative effective portion of gains and losses arising on changes in fair value of hedging instruments entered into for cash flow hedges. The cumulative gain or loss on changes in fair value of the hedging instruments will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or is included as a basis adjustment to the non-financial hedged item.

Other reserve

Balance at beginning of financial year	(0.4)	(0.5)
Share of gain in reserve attributable to an associate	0.3	0.1
Cumulative loss reclassified to profit or loss of pre-existing equity interest in an acquired entity	0.1	–
Balance at end of financial year	–	(0.4)

The other reserve represents the consolidated entity's share of the reserves of associates and jointly controlled entities.