

9. Income Taxes continued

At 30 June 2020, the Group held a current provision of £5.6 million (2019: £3.8 million) in respect of uncertain tax positions. The resolution of these tax matters may take many years. The range of reasonably possible outcomes within the next financial year is £0.9 million to £7.0 million.

EU CFC Challenge

In October 2017 the European Commission (the Commission) opened a State Aid investigation into the Group Financing Exemption in the UK Controlled Foreign Company (CFC) rules. On 25 April 2019 the Commission issued its decision on the CFC Group Financing Exemption concluding that part of the UK measures were unlawful and incompatible instructing the UK Government to recover the State Aid. The UK Government filed an annulment appeal on 12 June 2019. In common with other UK-based international companies Dechra had financing arrangements in line with the current UK legislation. We have calculated the maximum potential State Aid claimed as £4.0 million excluding penalties and interest. Given the current position no provision has been recognised in the financial statements. We continue to monitor developments.

Future Tax Charge

The Group's future tax charge, and its effective tax rate could be affected by several factors including the impact of the implementation of the OECD's Base Erosion and Profit Shifting ('BEPS') actions, and changes in applicable tax rates and legislation in the territories in which it operates.

10. Dividends

	2020 £m	2019 £m
Final dividend paid in respect of prior year but not recognised as a liability in that year: 22.10 pence per share (2019: 18.17 pence per share)	22.7	18.6
Interim dividend paid: 10.29 pence per share (2019: 9.50 pence per share)	10.6	9.8
Total dividend 32.39 pence per share (2019: 27.67 pence per share) recognised as distributions to equity holders in the period	33.3	28.4
Proposed final dividend for the year ended 30 June 2020: 24.00 pence per share (2019: 22.10 pence per share)	25.9	22.7
Total dividend paid and proposed for the year ended 30 June 2020: 34.29 pence per share (2019: 31.60 pence per share)	37.0	32.5

In accordance with IAS 10 'Events After the Balance Sheet Date', the proposed final dividend for the year ended 30 June 2020 has not been accrued for in these financial statements. It will be shown as a deduction from equity in the financial statements for the year ending 30 June 2021. There are no income tax consequences. The final dividend for the year ended 30 June 2019 is shown as a deduction from equity in the year ended 30 June 2020.

11. Earnings per Share

Earnings per ordinary share have been calculated by dividing the profit attributable to equity holders of the parent after taxation for each financial period by the weighted average number of ordinary shares in issue during the period.

	2020 Pence	2019 Pence
Basic earnings per share		
– Underlying*	92.50	90.24
– Basic	32.87	30.15
Diluted earnings per share		
– Underlying*	92.19	90.01
– Diluted	32.76	30.07

The calculations of basic and diluted earnings per share are based upon:

	2020 £m	2019 £m
Earnings for underlying basic and underlying diluted earnings per share	95.4	92.5
Earnings for basic and diluted earnings per share	33.9	30.9

	Number	Number
Weighted average number of ordinary shares for basic earnings per share	103,133,142	102,504,510
Impact of share options	348,393	257,838
Weighted average number of ordinary shares for diluted earnings per share	103,481,535	102,762,348

* Underlying measures exclude non-underlying items as defined in note 1.

At 30 June 2020, there are 373,439 options (2019: 421,486) that are excluded from the EPS calculations as they are not dilutive for the period presented but may become dilutive in the future.