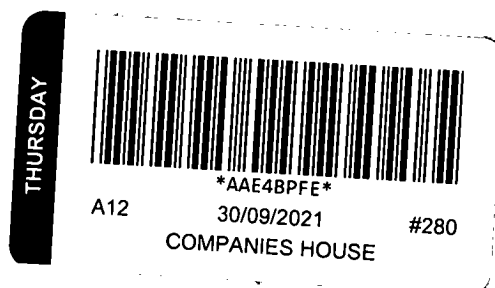


Formica Holdco (UK) Limited

Annual report and financial statements

Registered number 03525045

31 December 2020



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Directors' report

The directors present their report and the audited financial statements of the Company for the 18-month period ended 31 December 2020.

Dividends

The directors do not recommend the payment of a dividend (2019: *£nil*).

Directors

The directors who held office during the period and to the date of approval of the financial statements are as follows:

NL Mason	
M Van Der Zee	(appointed 1 October 2020)
PA Foreman	(appointed 31 January 2020, resigned 20 November 2020)
PJ Rush	(resigned 31 January 2020)
EJ Bax	(appointed 1 October 2019, resigned 30 September 2020)

Political and charitable contributions

The company made no political or charitable donations or incurred any political expenditure during the period (2019: *£nil*).

Disclosure of information to the auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Extended Financial Period

In order to align the company's reporting period with the Group, the company's financial year was extended to 18 months, which ended on 31 December 2020. The comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

Financial risk management

Given the nature of the Company's operations, it is exposed to a variety of financial risks that include foreign exchange risk, credit risk, liquidity risk and interest rate risk. The directors have implemented a risk framework which covers; Formica Limited, Formica Holdco UK limited, Formica Holdings Limited and Formica Finance Limited. Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The directors review the appropriateness of risk management policies and procedures in light of changes in size or nature of operations.

Foreign exchange risk

The company is exposed to foreign exchange risks in the normal course of business. The company does not use derivative instruments in accordance with the group corporate policy.

Credit risk

The company only holds intercompany balances and so credit risk is not significant.

Directors' report (continued)

Liquidity risk

The company and its subsidiaries' financial situation currently requires parent company funding. Regular cash forecasting is carried out at operating company to ensure the company has sufficient funds to meet its obligations.

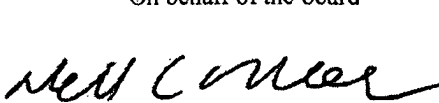
Interest rate risk

Interest rate risk is mitigated by using fixed rates of interest on intercompany balances, there are no external borrowings.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The directors have also taken advantage of the small companies' exemptions provided by Section 414B of the Companies Act 2006 and have not prepared a Strategic Report.

On behalf of the board



N L Mason
Director



M Van Der Zee
Director

Coast Road
North Shields
Tyne and Wear
NE29 8RE
30 September 2021

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Independent auditors' report to the members of Formica Holdco (UK) Limited

Report on the audit of the financial statements

Opinion

In our opinion, Formica Holdco (UK) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its result for the period from 01 July 2019 to 31 December 2020;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report") which comprise: the balance sheet as at 31 December 2020; the income statement and statement of changes in equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Independent auditors' report to the members of Formica Holdco (UK) Limited (continued)

Reporting on other information (continued)

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the period ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of Formica Holdco (UK) Limited (continued)

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Nicholas Cook (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle Upon Tyne
30 September 2021

Income Statement

for the 18-month period ended 31 December 2020

	Note	18-month period ended 31/12/2020 £000	Year ended 30/06/2019 £000
Administrative expenses		-	(2,064)
Exceptional items	5	-	(98,755)
Interest receivable and similar income	6	193	2,401
Interest payable and similar expenses	7	(193)	-
		<hr/>	<hr/>
Result/(loss) before taxation		-	(98,418)
Tax on result/(loss)	8	-	-
		<hr/>	<hr/>
Result/(loss) for the financial period		-	(98,418)
		<hr/>	<hr/>

The above results are derived from continuing operations.

There is no other comprehensive income other than the stated above.

Balance sheet
at 31 December 2020

	<i>Note</i>	£000	31/12/2020 £000	£000	30/06/2019 £000
Fixed assets					
Investments	9		131,926		131,926
			<u>131,926</u>		<u>131,926</u>
Current assets					
Debtors	10	11,881		-	
		<u>11,881</u>			
Net current assets/(liabilities)			<u>11,881</u>		<u>-</u>
Total assets less current liabilities			143,807		131,926
Creditors: amounts falling due after more than one year	11		(11,881)		
Net assets			<u>131,926</u>		<u>131,926</u>
Capital and reserves					
Called up share capital	12		-		-
Share premium account	15		117,840		117,840
Capital contribution reserve	15		49,155		49,155
Profit and loss account	15		<u>(35,069)</u>		<u>(35,069)</u>
Total shareholders' funds			<u>131,926</u>		<u>131,926</u>

These financial statements were approved by the Board of directors on 30 September 2021 and were signed on its behalf by:



N L Mason
Director



M Van Der Zee
Director

Statement of Changes in Equity
for the 18-month period ended 31 December 2020

	Share capital £000	Share premium £000	Capital contribution £000	Profit and loss account £000	Total £000
At 1 July 2018	-	53,699	49,155	(1,978)	100,876
Share issue	-	64,141	-	-	64,141
Loss for the year	-	-	-	(98,418)	(98,418)
Waiver of amount due to parent undertaking	-	-	-	65,327	65,327
At 30 June 2019	-	117,840	49,155	(35,069)	131,926
Result for the period	-	-	-	-	-
At 31 December 2020	-	117,840	49,155	(35,069)	131,926

Notes to the financial statements

(forming part of the financial statements)

1 Accounting policies

Statement of compliance

Formica Holdco (UK) Limited is a private limited liability company, limited by shares, incorporated in the United Kingdom.

The Registered Office is:

Coast Road
North Shields
Tyne & Wear
NE29 8RE

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006.

The financial statements are prepared in GBP sterling which is the functional currency of the company and rounded to the nearest £'000.

In these financial statements, the Company has applied the exemptions available under FRS 102 in respect of the following disclosures:

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv)
- the requirements of Section 7 Statement of Cash Flows
- the requirements of Section 11 Basic Financial Instruments paragraphs 11.40 to 11.48A
- the requirements of Sections 33.1A and 33.7 Related Party Disclosures

These financial statements are prepared under the historical cost accounting rules, modified to include the revaluation of certain tangible fixed assets.

The company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

The company's only significant estimates and judgements relate to the carrying value of its fixed asset investments, as detailed below.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the income statement.

Taxation

The charge for taxation is based on the result for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102 paragraph 29.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Investments

Investments in subsidiary undertakings, associates and joint ventures are stated at cost, less amounts written off.

Impairment of fixed assets

The carrying amounts of the company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement unless it arises on a previously revalued fixed asset. An impairment loss on a revalued fixed asset is recognised in the income statement if it is caused by a clear consumption of economic benefits. Otherwise impairments are recognised in Other Comprehensive Income until the carrying amount reaches the asset's depreciated historic cost.

Calculation of recoverable amount

The recoverable amount of fixed assets is the greater of their net realisable value and value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the rate of return expected on an equally risky investment. For an asset that does not generate largely independent income streams, the recoverable amount is determined for the income-generating unit to which the asset belongs.

Financial instruments

Financial instruments are recognised and measured in accordance with section 11 and 12 of FRS 102.

Where the company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

Dividends on shares presented within shareholders' funds

Dividends are only recognised as a liability at that date to the extent that they are declared prior to the period end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Going concern

The company has net assets of £131,926,000 at the balance sheet date and has no external creditors. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

The impact of the global COVID-19 pandemic does not have a direct impact on the operation of the business. The impact has been felt by the subsidiaries of the business where reviews have been undertaken. Those subsidiaries are not reliant on any support from the company. Accordingly, the financial statements have been prepared on a going concern basis.

Notes to the financial statements *(continued)*

2 Critical accounting judgements and estimation uncertainty

The value of investments in subsidiary undertakings is reviewed annually for impairment. The recoverability of these balances is considered with reference to either the net assets of the subsidiaries or the present value of estimated future cash flows. These calculations use cashflow projections which extend forward forecast business performance together with assumptions surrounding the expected life of the asset, externally prepared forecasts and valuations and any adjustments required to the discount rate to take account of business risk. The estimated present value of these future cashflows is sensitive to the discount rate and growth rate used in the calculation which require managements judgement. Testing of the carrying value has been performed during the period, which has involved several scenarios being modelled. Following this assessment management have concluded that the carrying value in investments in subsidiary entities is supported by the underlying valuations.

3 Auditors Remuneration

Fees for the audit of the statutory accounts of the parent and subsidiary companies are £160,500 exclusive of VAT (2019: £54,000) and are recognised in Formica Holdco Limited's subsidiary undertaking, Formica Limited. Of this, £10,000 (2019: £2,000) is estimated to relate to the audit of Formica Holdco Limited.

4 Remuneration of directors

The Directors of the Company were employed and remunerated during the period by Formica Limited in respect of their services to the Group as a whole. The qualifying services provided to the Company by these Directors were incidental compared to their main roles, therefore their remuneration amount relating to the Company was £nil for the period ended 31 December 2020 (2019: £nil)

5 Exceptional items

A group financing restructure occurred on 1 July 2019, whereby the £98,755,000 debt owed to Formica Holdco (UK) Limited by Formica Limited was forgiven. A provision was made in the period ending 30 June 2019 financial statements against this receivable balance.

6 Interest receivable and similar income

	18-month period ended 31/12/2020 £000	Year ended 30/06/2019 £000
Receivable from group undertakings	193	2,401

Notes to the financial statements *(continued)*

7 Interest payable and similar expenses

	18-month period ended 31/12/2020 £000	Year ended 30/06/2019 £000
Payable to group undertakings	193	-

8 Tax on result/(loss)

Analysis of charge in period

	18-month period ended 31/12/2020 £000	Year ended 30/06/2019 £000
<i>UK corporation tax</i>		
Total current tax	-	-
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
Effect of changes in tax rates	-	-
Tax on result	-	-

Factors affecting the tax charge for the current period

The tax charge for the period is equal (2019: higher) than the standard rate of corporation tax in the UK, 19% (2019: 19%). The differences are explained below

	18-month period ended 31/12/2020 £000	Year ended 30/06/2019 £000
<i>Current tax reconciliation</i>		
Result/(loss) before tax	-	(98,418)
Current tax at 19% (2019: 19%)	-	(18,699)
<i>Effects of:</i>		
Transactions not subject to tax	-	18,759
Effects of group relief	-	(60)
Total tax charge	-	-

Notes to the financial statements *(continued)*

8 Tax on result/(loss) *(continued)*

Factors that may affect future current and total tax charges

At the end of the period the company had no unrelieved UK corporation tax losses available to carry forward (2019: £nil).

A standard rate of 19% applies to current tax liabilities arising during the period ended 31 December 2020.

The tax rate will remain at 19% for the 2021 financial year, however, the Chancellor has announced an expected increase in the rate of Corporation Tax from 19% to 25% from financial years beginning 1 April 2023.

9 Investments

	Shares in group undertakings £000
Cost	
At 1 July 2019	131,926
Addition in the period	-
	<hr/>
At 31 December 2020	131,926
	<hr/>
Net book value	
At 1 July 2019	131,926
	<hr/>
At 31 December 2020	131,926
	<hr/>

The companies in which the company's interest at the 18-month period end is more than 20% are as follows:

Notes to the financial statements (continued)

9 Investments (continued)

	Country of incorporation	Principal activity	Percentage of ordinary share Capital
Subsidiary undertakings			
Formica Limited	United Kingdom	Manufacture and marketing of laminates	100%
Formica Holdings Limited*	United Kingdom	Non trading	100%
Formica IKI Oy*	Finland	Manufacture and marketing of laminates	100%
Formica PSM Limited*	United Kingdom	Dormant	100%
Perstorp Waverite Ltd ****	United Kingdom	Dormant	100%
Formica SAS*	France	Marketing and distribution of laminates	100%
Formica Finance Ltd*	United Kingdom	Investment company	100%
Formica Holdings GmbH*	Germany	Holding company	100%
Homapal GmbH**	Germany	Manufacture and marketing of metallic laminates	100%
Formica Danmark A/S*	Denmark	Marketing of laminates	100%
Formica Norge A/S*	Norway	Marketing of laminates	100%
Unidur GmbH**	Germany	Dormant	100%
Formica SP z.o.o.*	Poland	Marketing laminates	100%
Formica B.V.*	The Netherlands	Marketing laminates	100%
Formica Skandinavien A.B.*	Sweden	Marketing and distribution of laminates	100%
Formica S.A.*	Spain	Manufacture and marketing of laminates	100%
Gravure Et Polissage de Surfaces Metalliques ***	France	Property Management	100%

* held as a subsidiary of Formica Limited

** held as a subsidiary of Formica Holdings GmbH

*** held as a subsidiary of Formica SAS

**** held as a subsidiary of Formica PSM Limited

Applications to strike off Formica PSM Limited and Perstorp Waverite Ltd were submitted to Companies House in December 2020 BY Formica Limited. An agreement to dispose of Formica S.A was enacted in January 2021.

10 Debtors

	31/12/2020 £000	30/06/2019 £000
Amounts owed by group undertakings	11,881	98,755
Provision against future debt forgiveness	-	(98,755)
	<u>11,881</u>	<u>-</u>

Notes to the financial statements *(continued)*

10 Debtors *(continued)*

No debts are due for repayment within 12 months, however, amounts owed by group undertakings as at the previous year end included a loan of £98,755,000 to Formica Limited, a subsidiary undertaking. The loan was forgiven on 01/07/2019, as a result a provision for the debt forgiveness was raised during the year ended 30/06/2019.

Intercompany debt can be analysed as follows:

	31/12/2020 £000	30/06/2019 £000
Analysis of intercompany debt:		
Debt can be analysed as falling due:		
Within one year	-	-
Over one year	11,881	-
	<u>11,881</u>	<u>-</u>

Amounts owed by group undertakings include a facility agreement entered into with Formica Limited. The balance outstanding as at 31 December 2020 was £11,881,000 (2019: £nil) which is subject to interest at 3% and is due for repayment on 31 December 2022.

11 Creditors: amounts falling due after more than one year

	31/12/2020 £000	30/06/2019 £000
Amounts owed to group undertakings	11,881	-
	<u>11,881</u>	<u>-</u>

Amounts owed to group undertakings include a £11,881,000 (2019: £nil) facility agreement which was entered into on 12 July 2019 with Broadview Industries BV. This is due for repayment on 31 December 2022.

12 Called up share capital

	31/12/2020 £	30/06/2019 £
Allotted, called up and fully paid		
407 (2019: 407) Ordinary shares of £1 each	407	407

Notes to the financial statements *(continued)*

13 Ultimate parent company and parent undertaking of larger group of which the company is a member

The Company belongs to the Broadview group, which is part of the wider HAL group. The ultimate parent company of this group is HAL Trust in Hamilton, Bermuda. HAL Trust's shares are listed on the Amsterdam Stock Exchange (Ticker symbol: HAL NA). The financial statements of the Company are included in the consolidated financial statements of both HAL Trust, Hamilton, Bermuda and HAL Holding N.V., Willemstad, Curacao.

These consolidated financial statements are available at cost at the office of HAL Holding N.V. and can also be found at www.halholding.com. The financial statements of the Company are also included in the consolidated annual accounts of its immediate holding company Broadview Industries BV, the Netherlands that are filed at the chamber of commerce in the Netherlands.

14 Post balance sheet event

There were no material events subsequent to 31 December 2020 and up until the authorisation of the financial statements for issue, that have not been disclosed elsewhere in the financial statements.

15 Reserves

The share premium account represents the amount over and above par value, less any issue costs, for ordinary shares issued at a premium.

The capital contribution reserve represents additional capital contributed to fund the business.

The profit and loss account reserve represents cumulative profits and losses less any dividends paid.