

COMPANY NO : 03929989

**BLACKWATER HOLDINGS LTD
REPORT OF THE DIRECTORS
AND STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**BEGBIES
Chartered Accountants
9 Bonhill Street
London EC2A 4DJ**

FRIDAY



**A08 *ACSTOVIZ* #4
16/06/2023
COMPANIES HOUSE**

BLACKWATER HOLDINGS LTD

DIRECTORS

A Boag
B J Boag
M D Boag

SECRETARY

I Welch

REGISTERED OFFICE

Station Road West
Ash Vale
Aldershot
Hampshire
GU12 5LZ

AUDITORS

Begbies
Chartered Accountants
9 Bonhill Street
London EC2A 4DJ

BLACKWATER HOLDINGS LTD

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BLACKWATER HOLDINGS LTD

GROUP STRATEGIC REPORT

YEAR ENDED 30 SEPTEMBER 2022

The directors report that the group achieved a profit for the financial year of £1,118,944 compared with £1,417,566 for the previous year.

The key performance indicators of the group are considered to be as follows:

	2022 £'000's	2021 £'000's
Turnover	19,595	19,483
Gross profit	5,923	6,626
Operating profit	1,431	1,919
Profit after taxation	1,151	1,421

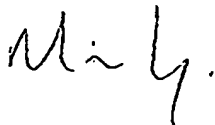
The directors are of the opinion that the risks and uncertainties of the group are related primarily to the economic outlook, both in the UK and globally, and the risk of operating in a competitive marketplace. The diversity of products across the group, together with a wide customer base that the group continues to expand, mitigates the risk to the group.

The impact of the COVID-19 pandemic reduced during the financial year and did not have a meaningful impact on the overall financial results of the group.

The group is committed to continued investment and emphasis on new product development to ensure future profitability and growth in the year ahead.

The directors consider the group to be in a solid financial position, with net assets of around £12 million as of 30 September 2022.

Signed on behalf of the Board of Directors



A Boag
Director

Date: 25 May 2023

BLACKWATER HOLDINGS LTD

REPORT OF THE DIRECTORS

The directors present their report and the audited accounts of the group for the year ended 30 September 2022.

Principal activity

The principal activity of the company is that of a holding company. The main activities of the group are the manufacture and distribution of welding consumables, cemented carbide products and specialist pipe systems.

Dividends

The directors recommend a final proposed dividend in respect of the year ended 30 September 2022 of £251,681 (2021: £337,989)

Directors

The directors of the company during the year were as follows:

A Boag
B J Boag
M D Boag

Statement of disclosure of information to auditors

The directors of the company who held office at the date of approval of this directors' report confirm that:

- So far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- They have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Future developments

The directors have given information regarding future developments in the Strategic Report.

BLACKWATER HOLDINGS LTD

REPORT OF THE DIRECTORS (CONTINUED)

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (GAAP).

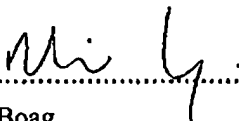
Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts the directors are required to:-

- 1) Select suitable accounting policies and then apply them consistently;
- 2) Make adjustments and accounting estimates that are reasonable and prudent;
- 3) Follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- 4) Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They 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.

In determining how amounts are presented within items in the profit and loss account and balance sheet, the directors must have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

Signed on behalf of the Board of Directors


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A Boag
Director

Approved by the Board: 25 May 2023

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BLACKWATER HOLDINGS LTD**

Opinion

We have audited the financial statements of Blackwater Holdings Ltd ("the parent company") and its subsidiaries ("the group") for the year ended 30 September 2022 which comprise the consolidated Statement of Income and Retained Earnings, the consolidated and company Statement of Financial Position, the consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 September 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BLACKWATER HOLDINGS LTD
(CONTINUED)**

Other information

The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and of the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 group's and the parent 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BLACKWATER HOLDINGS LTD
(CONTINUED)**

Auditor's 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 auditor's 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is dependant upon the effectiveness of management controls and the nature, timing and extent of the audit procedures carried out, which included:

Auditing the risk of management override of controls ; Enquiries of those charged with governance;
Reviewing disclosures in the accounts; Assessing the impact of Covid-19 working procedures; Validating inter group balances.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Christopher Pexton FCA, Senior Statutory Auditor
For and on behalf of:
Beggies
Chartered Accountants
Statutory Auditors
6 June 2023

9 Bonhill Street
London EC2A 4DJ

BLACKWATER HOLDINGS LTD

**CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Notes	2022 £	2021 £
Turnover	2	19,594,654	19,482,924
Cost of sales		(13,671,198)	(12,856,627)
Gross profit		5,923,456	6,626,297
Distribution costs		(498,514)	(572,743)
Administrative expenses		(3,993,725)	(4,134,423)
Operating profit	3	1,431,217	1,919,131
Profit on sale of fixed assets		66,393	25,507
Interest payable and similar charges	6	(99,944)	(102,313)
Other Operating Income		-	38,775
Interest received		1,272	843
Profit on ordinary activities before taxation		1,398,938	1,881,943
Taxation	7	(248,213)	(460,979)
Profit on ordinary activities after taxation		1,150,725	1,420,964
Equity minority interest		(31,781)	(3,398)
Profit for the financial year		1,118,944	1,417,566
Other comprehensive income			
Foreign currency translation differences		48,488	16,174
Total comprehensive income		1,167,432	1,433,740
Retained profit at 1 October 2021		10,684,627	9,458,640
Total comprehensive income for the year		1,167,432	1,433,740
Dividend paid		(337,989)	(207,753)
Retained profit at 30 September 2022		11,514,070	10,684,627

All of the group's activities derived from continuing operations.

As permitted by Section 408 of the Companies Act 2006, the holding company's profit and loss account has not been separately disclosed in these financial statements which therefore present information about the group, and not about the company as an individual entity. The retained profit for the financial year of the holding company was £ nil (2021: £nil).

BLACKWATER HOLDINGS LTD

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2022

	Notes	2022	2021
		£	£
Fixed assets			
Tangible assets			
Property, plant and equipment	8	7,279,176	7,130,178
Current assets			
Stocks	10	6,097,024	4,947,382
Debtors	11	4,935,069	4,878,931
Bank and cash		144,316	140,730
		<u>11,176,409</u>	<u>9,967,043</u>
Creditors:			
Amounts falling due within one year	12	(4,624,424)	(3,796,685)
Net current assets		<u>6,551,985</u>	<u>6,170,358</u>
Total assets less current liabilities		<u>13,831,161</u>	<u>13,300,536</u>
Creditors:			
Amounts falling due after more than one year	13	(1,183,410)	(1,497,824)
Provision for liabilities and charges			
- Deferred taxation	16	(612,909)	(629,094)
Net assets		<u>£ 12,034,842</u>	<u>£ 11,173,618</u>
Capital and reserves			
Called up share capital	17	51,680	51,680
Profit and loss account		11,514,070	10,684,627
Reserve on consolidation		331,925	331,925
Shareholders' funds		<u>11,897,675</u>	<u>11,068,232</u>
Equity minority interests		<u>137,167</u>	<u>105,386</u>
		<u>£ 12,034,842</u>	<u>£ 11,173,618</u>

Approved by the Board of Directors on 25 May 2023

A Boag : Director
Signed on Behalf of the Directors

BLACKWATER HOLDINGS LTD

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Investments	9		274,234		274,234
Current assets					
Debtors	11	53,750		53,750	
Creditors: Amounts falling due within one year	12	-		-	
Net current assets			53,750		53,750
Total assets less current liabilities			327,984		327,984
Creditors: Amounts falling due after more than one year	13	-		-	
Net assets			£ 327,984		£ 327,984
Capital and reserves					
Called up share capital	16		51,680		51,680
Other reserves			276,304		276,304
			£ 327,984		£ 327,984

Approved by the Board of Directors on 25 May 2023

A Boag :  Director

Signed on Behalf of the Directors

BLACKWATER HOLDINGS LTD
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	2022 £	2021 £
Operating activities		
Profit on ordinary activities after taxation	1,150,725	1,420,964
Adjustments for:		
Tax on profit on ordinary activities	248,213	460,979
Depreciation	756,948	702,997
(Increase)/Decrease in stocks	(1,149,642)	(85,577)
(Increase)/ Decrease in debtors	(56,138)	(303,993)
Increase/(Decrease) in creditors	118,911	(26,343)
(Profit)/ Loss on sale of fixed assets	(66,393)	(25,507)
Exchange adjustments	(31,161)	18,097
	<u>971,463</u>	<u>2,161,617</u>
Corporation tax (paid)/ recovered	(276,503)	(90,811)
Cash generated by operating activities	<u>694,960</u>	<u>2,070,806</u>
Investing activities		
Payments to acquire property, plant and equipment	(844,722)	(1,143,244)
Proceeds from sale of property, plant and equipment	84,819	66,346
Cash used in investing activities	<u>(759,903)</u>	<u>(1,076,898)</u>
Cash flows from financing activities		
Bank loans	(239,298)	(100,338)
Capital element of hire purchase payments	(79,672)	(79,673)
Dividend paid	(337,989)	(207,753)
Net cash used in financing activities	<u>(656,959)</u>	<u>(387,764)</u>
Net cash generated/(used)		
Cash generated by operating activities	694,960	2,070,806
Cash used in investing activities	(759,903)	(1,076,898)
Cash flows from financing activities	(656,959)	(387,764)
Net cash generated/(used)	<u>(721,902)</u>	<u>606,144</u>
Cash and cash equivalents at 1 October	46,033	(560,111)
Cash and cash equivalents at 30 September	<u>(675,869)</u>	<u>46,033</u>
Cash and cash equivalents comprise:		
Cash at bank	144,316	140,730
Bank overdrafts	(820,185)	(94,697)
	<u>(675,869)</u>	<u>46,033</u>

BLACKWATER HOLDINGS LTD

NOTES TO THE ACCOUNTS AS AT 30 SEPTEMBER 2022

1) Summary of significant accounting policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, and the Companies Act 2006.

b) Consolidation

The consolidated statement of income and retained earnings and consolidated statement of financial position include the financial statements of the company and its subsidiary undertakings made up to 30 September 2022.

c) Research and development

Research and development expenditure is written off as incurred. Costs incurred in the building of specific machines for use by the company are capitalised.

d) Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

e) Tangible fixed assets

Tangible fixed assets are measured at historical cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life. No depreciation is charged in the year of acquisition; a full year's depreciation is charged in the year of disposal. The principal annual rates used for this purpose are:

Buildings	2%
Plant, machinery and vehicles	10% - 25%

f) Investments

Investments in subsidiaries are measured at cost less any accumulated impairment losses.

g) Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

h) Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

BLACKWATER HOLDINGS LTD

NOTES TO THE ACCOUNTS AS AT 30 SEPTEMBER 2022 (CONTINUED)

1) Summary of significant accounting policies (continued)

i) Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

j) Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

k) Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

l) Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Differences on exchange arising from the retranslation of the opening net investment in subsidiary companies, and from the translation of the results of those companies at average rate, are recognised as "other comprehensive income".

m) Government Grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the profit and loss account at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income. Grants of a revenue nature are recognised in "other operating income" within profit and loss in the same period as the related expenditure. The company has not benefited from any other forms of government assistance.

BLACKWATER HOLDINGS LTD

**NOTES TO THE ACCOUNTS AS AT 30 SEPTEMBER 2022
(CONTINUED)**

1) Summary of significant accounting policies (continued)

n) Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

2) Analysis of turnover

Turnover is wholly attributable to the group's principal activities. Disaggregated information regarding turnover has not been disclosed on the grounds that disclosure would be unfairly prejudicial.

3) Operating profit

	2022	2021
	£	£
This is stated after charging/(crediting):		
Depreciation of owned fixed assets	756,948	702,997
Auditors' remuneration for audit services	30,375	29,900
Auditors' remuneration for other services	8,200	8,900
Government grants- CJRS	-	(38,775)

4) Directors' emoluments

	2022	2021
	£	£
Emoluments	203,185	194,062
Company contributions to defined contribution pension plans	22,932	17,656
	<u>226,117</u>	<u>211,718</u>
Highest paid director	160,715	150,695
Emoluments	22,932	17,656
	<u>183,647</u>	<u>168,351</u>

Number of directors to whom retirement benefits accrued:

	2022	2021
	Number	Number
Defined contribution plans	1	1

The compensation paid to the group's key management personnel (including directors)

	2022	2021
	£	£
Salaries and other benefits	793,640	885,952
Company contributions to defined contribution pension plans	117,011	118,444
	<u>910,651</u>	<u>1,004,396</u>

5) Staff costs

	2022	2021
	£	£
Wages and salaries	4,555,836	4,424,860
Social security costs	496,062	468,910
Other pension costs	265,630	183,261
	<u>5,317,528</u>	<u>5,077,031</u>

BLACKWATER HOLDINGS LTD

**NOTES TO THE ACCOUNTS AS AT 30 SEPTEMBER 2022
(CONTINUED)**

5) Staff costs (Continued)	2022	2021
Average number of employees during the year	Number	Number
Administration	51	45
Distribution	19	19
Manufacturing	136	127
	<u>206</u>	<u>191</u>
6) Interest payable	2022	2021
	£	£
Bank loans and overdrafts	<u>99,944</u>	<u>102,313</u>
7) Taxation	2022	2021
Analysis of charge for year	£	£
Current tax:		
UK corporation tax on profits of the period	204,505	251,181
Foreign corporation tax	<u>59,893</u>	<u>19,087</u>
	<u>264,398</u>	<u>270,268</u>
Deferred Tax (Note 16)		
Relating to timing differences	(16,185)	106,086
Effect of rate charge	-	84,625
Tax on profit on ordinary activities	<u>248,213</u>	<u>460,979</u>
Factors affecting tax charge for period		
The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:		
	2022	2021
	£	£
Profit on ordinary activities before tax	<u>1,398,938</u>	<u>1,881,943</u>
Standard rate of corporation tax in the UK	19.0%	19.0%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	265,798	357,570
Effect of:		
Expenses which are not deductible for tax purposes	1,020	740
Allowance in respect of research and development	(29,280)	(23,496)
Remeasurement of deferred tax	-	84,625
Overseas tax rates and allowances	10,675	41,540
Current tax charge for period	<u>248,213</u>	<u>460,979</u>

BLACKWATER HOLDINGS LTD

**NOTES TO THE ACCOUNTS AS AT 30 SEPTEMBER 2022
(CONTINUED)**

8) Tangible fixed assets

Group	Freehold Land and Buildings £	Plant, machinery and vehicles £	Total £
Cost			
At 1 October 2021	5,379,556	9,536,430	14,915,986
Additions	100,438	744,284	844,722
Disposals	-	(206,472)	(206,472)
Foreign exchange movement	48,120	156,804	204,924
At 30 September 2022	5,528,114	10,231,046	15,759,160
Depreciation			
At 1 October 2021	1,618,274	6,167,534	7,785,808
Provided in year	113,787	643,161	756,948
Disposals	-	(188,046)	(188,046)
Foreign exchange movement	22,576	102,698	125,274
At 30 September 2022	1,754,637	6,725,347	8,479,984
Net book value			
At 30 September 2022	3,773,477	3,505,699	7,279,176
At 30 September 2021	3,761,282	3,368,896	7,130,178

The carrying value of plant and machinery held under hire purchase contracts at 30 September 2022 is £242,504 (2021: £449,139).

BLACKWATER HOLDINGS LTD

NOTES TO THE ACCOUNTS AS AT 30 SEPTEMBER 2022 (CONTINUED)

9) Investments

Cost	Shares in subsidiary undertakings £
At 1 October 2021 and	
At 30 September 2022	<u>274,234</u>

The company holds 20% or more of the share capital of the following companies:

Company	Registered office and country of incorporation	Shares held Class	Proportion held by Group	Company	Principal activity
Corewire Ltd	Station Rd West Ash Vale, Aldershot, GU12 5LZ, England	Ordinary	100%	100%	Manufacture and distribution of welding consumables and tungsten carbide products
C.P.V. Ltd	Station Rd West Ash Vale, Aldershot, GU12 5LZ, England	Ordinary	100%	100%	Manufacture and distribution of pipe systems
Primecast Cement Products Ltd*	Station Rd West Ash Vale, Aldershot, GU12 5LZ, England	Ordinary	100%	100%	
Dymet Alloys Ltd*	Station Rd West Ash Vale, Aldershot, GU12 5LZ, England	Ordinary	100%	100%	
Weldclad Ltd *	Station Rd West Ash Vale, Aldershot, GU12 5LZ, England	Ordinary	100%	-	
Kespar Technology Ltd*	Station Rd West Ash Vale, Aldershot, GU12 5LZ, England	Ordinary	100%	-	

BLACKWATER HOLDINGS LTD

NOTES TO THE ACCOUNTS AS AT 30 SEPTEMBER 2022 (CONTINUED)

9) Investments (Continued)

Corewire Surface Technology Pvt Ltd	6 Vanagaram Road Ayanambakkam Maduravoyal Chennai Tamil Nadu 602 102 India	Ordinary	80%	- Manufacture and repair of continuous caster rolls for the steel industry
Corewire Surface Technology s.r.o.	Cesta do Hanisky c.5 040 15 Košice Slovakia	Ordinary	100%	- Manufacture and repair of continuous caster rolls for the steel industry

* Dormant companies did not trade during the year.

10 Stocks	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Raw materials and consumables	3,429,114	2,683,217	-	-
Work in progress	783,746	502,673	-	-
Finished goods and goods for resale	1,884,164	1,761,492	-	-
	<u>6,097,024</u>	<u>4,947,382</u>	<u>-</u>	<u>-</u>

BLACKWATER HOLDINGS LTD

**NOTES TO THE ACCOUNTS AS AT 30 SEPTEMBER 2022
(CONTINUED)**

11) Debtors	2022	2021	2022	2021
	£	£	£	£
Trade debtors	4,167,451	4,067,083	-	-
Amounts owed by group undertakings	-	-	53,750	53,750
Prepayments and accrued income	767,618	811,848	-	-
	<u>4,935,069</u>	<u>4,878,931</u>	<u>53,750</u>	<u>53,750</u>

	Group		Company	
12) Creditors: Amounts falling due within one year	2022	2021	2022	2021
	£	£	£	£
Bank overdrafts (secured)	820,185	94,697	-	-
Bank loans (secured)	629,102	633,658	-	-
Obligations under hire purchase contracts	79,672	79,672	-	-
Trade creditors	1,821,383	1,668,992	-	-
Corporation tax	214,351	226,455	-	-
Other taxation and social security	173,625	124,321	-	-
Accruals and deferred income	886,106	968,890	-	-
	<u>4,624,424</u>	<u>3,796,685</u>	<u>-</u>	<u>-</u>

	Group		Company	
13) Creditors: Amounts falling due after more than one year	2022	2021	2022	2021
	£	£	£	£
Bank loans (secured)	1,076,223	1,310,965	-	-
Obligations under hire purchase contracts	107,187	186,859	-	-
	<u>1,183,410</u>	<u>1,497,824</u>	<u>-</u>	<u>-</u>

BLACKWATER HOLDINGS LTD

NOTES TO THE ACCOUNTS AS AT 30 SEPTEMBER 2022 (CONTINUED)

14) Loans	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Loans not wholly repayable within five years:				
Bank loans	130,398	357,339	-	-
Analysis of maturity of debt:				
Within one year or on demand	708,774	713,330	-	-
Between one and two years	320,176	308,510	-	-
Between two and five years	783,756	831,975	-	-
After five years	130,398	357,339	-	-
	<u>1,943,104</u>	<u>2,211,154</u>	<u>-</u>	<u>-</u>

The bank loans and overdrafts are secured by a corporate company unlimited multilateral guarantee with other group companies, together with a debenture, including a fixed charge over all present freehold and leasehold property, and a first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future, and a first floating charge over all assets and undertaking.

15) Obligations under finance leases and hire purchase contracts	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amount payable:				
Within one year	79,672	79,672	-	-
Within two to five years	107,187	186,859	-	-
	<u>186,859</u>	<u>266,531</u>	<u>-</u>	<u>-</u>

16) Deferred Taxation	2022	2021
	£	£
Accelerated capital allowances	612,909	629,094
At 1 October	629,094	438,383
Charged to the profit and loss account	(16,185)	190,711
	<u>612,909</u>	<u>629,094</u>

The UK tax element of the deferred tax provision is calculated at 25% (2021: 25%), following the legislation enacted in the 2021 Finance Act to increase the rate of UK Corporation Tax, effective 1 April 2023.

17) Share capital	Nominal value	Number	2022	2021
			£	£
Allotted, called up and fully paid:				
Ordinary shares	£1 each	51,680	51,680	51,680

BLACKWATER HOLDINGS LTD

NOTES TO THE ACCOUNTS AS AT 30 SEPTEMBER 2022 (CONTINUED)

		Company	
		2022	2021
		£	£
18) Dividends			
Dividends paid on ordinary shares		337,989	207,753
19) Net debt reconciliation	At 1 October 2021	Cash Flow	At 30 September 2022
Net cash:	£	£	£
Cash at bank	140,730	3,586	144,316
Bank overdrafts	(94,697)	(725,488)	(820,185)
	<u>46,033</u>	<u>(721,902)</u>	<u>(675,869)</u>
Borrowings:			
Falling due within one year	(713,330)	4,556	(708,774)
Falling due after one year	(1,497,824)	314,414	(1,183,410)
Total	<u>(2,165,121)</u>	<u>(402,932)</u>	<u>(2,568,053)</u>

20) Controlling party

Having regard to the shareholdings of the company, the group has no individual ultimate controlling party.

21) Presentation currency

The financial statements are presented in Sterling.

22) Legal form of entity and country of incorporation

Blackwater Holdings Ltd is a private company limited by shares and incorporated in England.

23) Principal place of business

The address of the company's principal place of business and registered office is:

Station Road West
Ash Vale
Aldershot
Hampshire
GU12 5LZ