

Company Registration No. 00381159 (England and Wales)

FINE TUBES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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FINE TUBES LIMITED

COMPANY INFORMATION

Directors	E Speranza P O'Gara	(Appointed 31 May 2023)
Secretary	L Carino	
Company number	00381159	
Registered office	2 New Star Road Leicester LE4 9JD	
Auditors	Ernst & Young LLP The Paragon Counterslip Bristol BS1 6BX	

FINE TUBES LIMITED

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FINE TUBES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present the strategic report for the year ended 31 December 2022.

Review of the business and future developments

The company's key financial indicators for the year were as follows:

	2022	2021	Change
	£'000	£'000	%
Turnover	29,722	24,113	23.26
Operating profit	2,717	1,156	135.03
Operating profit as a % of turnover	9.14%	4.79%	
Net current assets	23,971	21,854	9.69
Total equity	27,282	26,077	4.62

2022 saw a sharp increase in demand following the relatively low levels of activity during the pandemic. Growth in the aerospace market was a significant factor as customers look to replenish stocks depleted over the pandemic. Other markets, such as oil & gas and medical, were slower to recover but nevertheless saw growth year on year.

This increase in demand did not fully filter through to the revenue for the year, which closed at £29,722,000 (23% above prior year). Revenue growth was hampered due to shortages in both the supply chain and labour markets as the global economy emerged from the pandemic. There is a strong order book for 2023, with revenue expected to be close to pre-pandemic levels next year.

There was a significant improvement in profit before tax for the year at £3,003,000. Price volatility and high inflation have been a key theme throughout the year and management have been monitoring the situation carefully and taking appropriate actions to protect margins.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks including the possibility that we may be under price pressure. However, the continuing strength in our customers in the aerospace, nuclear power generation and oil and gas markets ensure that longer term risk is mitigated.

Financial risk management objectives and policies

The company's operations expose it to a variety of financial risks that include the effects of credit risk, liquidity risk and exchange rate risk. Whilst the company does not have a formal risk management programme to mitigate the potential adverse effects that such risks may pose, it does monitor and take action in each of these areas as follows:

Liquidity risk

The company actively maintains an appropriate level of cash reserves.

Exchange rate risk

The company monitors its exposures in the foreign currencies in which it regularly transacts. There is a natural hedge with sales and purchases offsetting, any major currency risk is covered with appropriate forward contracts. There were no open contracts at the year end.

Credit risk

The company has policies that require appropriate credit checks on potential customers before sales are made. In addition, credit checks are made annually on those customers who are deemed to be a significant credit risk to the company.

FINE TUBES LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

S172(1) statement

The Directors promote the success of the company for the benefit of the sole shareholder and that of the shareholders of its ultimate parent (AMETEK Inc) whilst taking into account, amongst other matters, the following:

- Long-term consequences – by preparing 5-year strategic plans as well as short term forecasts, all of which are discussed with and approved by Divisional and Group Management;
- Interests of company employees – see statement headed "Employee Involvement" in the Directors' Report;
- Relationships with suppliers, customers and others – We recognise the importance that stakeholders outside the business such as customers and suppliers add to our business and we work ethically together to ensure that our goals are met in a mutually beneficial fashion by negotiating contracts, agreeing payment terms in advance and maintaining an open dialogue with suppliers and customers;
- The impact on the community and the environment– see statement headed "Community & Environment" in the Directors' Report.
- The desirability of maintaining a high reputation for standards of business conduct – including overseeing an annual reporting and certification process to ensure all relevant employees are aware of the high standards set in this regard and a mechanism to notify the company of any shortcomings, including a "whistle-blowing" hotline.

On behalf of the board

DocuSigned by:

Paul O'Gara

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P O'Gara

Director

21 September 2023

FINE TUBES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Company Registration No. 00381159

The directors present their annual report and financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the company continued to be that of the manufacture of stainless steel, titanium and nickel tubing.

Results and dividends

The results for the year are set out on page 9.

The total distribution of dividends for the year ended 31 December 2022 was £836,000 (2021:£0).

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

E Speranza

D Cawse

P O'Gara

(Retired 31 July 2023)

(Appointed 31 May 2023)

Directors' insurance

AMETEK Inc. has indemnified one or more directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force during the year and remains in place to the date of this report.

Going Concern

The company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives and details of the company's exposure to risk are described in the strategic report on page 1. As noted on pages 10 and 12 respectively, the company has generated a profit after tax of £2,467,000 for the year-ended 31 December 2022 and has net current assets of £23,971,000 and net assets of £27,282,000 at this date.

In assessing whether the financial statements should be prepared on a going concern basis the directors have considered the impact of COVID-19 on the company. In this regard, the directors note that markets have seen a significant recovery during 2022 as covid restrictions and infection rates reduced. Demand has increased in all sectors with the current backlog taking the business well into the first quarter of 2024. Relationships with existing contract customers remain strong with a steady flow of new business promoting growth throughout 2023. As the economy emerges from the pandemic the management team have been closely monitoring upward pricing pressures and supply chain availability in order to ensure competitively priced products and uninterrupted supply is available to customers. Steps were taken to protect margins and ensure a sustainable supply of parts and materials are available to support future business.

The directors have stress tested the forecasts for the remainder of 2023 and through to December 2024 noting the most significant factor impacting the cash inflows for the company is the level of revenues being generated. These stress tests show that, with the current actions in place to mitigate costs, a fall in forecast revenues of over 17% would be required for the Company to run out of liquid funds. This fall in revenue represents a significant reduction on forecasts revenues to December 2024. With the order book for 2023 currently at full capacity, the directors consider that the likelihood of this occurring is remote.

The directors assess that with the company's customer, industry and market diversification, the company is well positioned to continue business.

On the basis of their assessment, including the factors detailed above, the directors have concluded it is appropriate for the company's 2022 financial statements to be prepared on a going concern basis.

FINE TUBES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of a person who does not suffer from a disability.

Employee involvement

It is the company's policy to keep employees fully informed of matters affecting them as employees and to make them aware of the financial and economic factors influencing company performance. This is done via notice board and employee voice round table meetings which provide a forum to feed back to management as well. Consultation is also undertaken with the pension trustees for matters relating to the defined benefit scheme, one of whom is an employee-nominated representative. Encouragement is given to employees to contribute towards the company's financial performance by means of an annual bonus scheme and share scheme for certain employees. In addition, there is a reward scheme available to all employees which encourages participation in the success of the company. There were no principal decisions undertaken during the year that required additional consultation with employees or their representatives, although we continue to monitor the funding of the defined benefit pension scheme to ensure that the interests of the members are considered in any decisions we make, and that funding is maintained at an appropriate level.

Community and Environment

The AMETEK group is fully committed to pursuing the best environmental practice and conducting its activities in a way that fully recognises its responsibilities to the environment. A full impact assessment on the local environment was carried in 2015 and we have subsequently invested over £2.5 million in improving site facilities for disposal of hazardous waste. Policies to benefit the community include the provision of sports and recreational activities for staff and their families, encouraging the use of local suppliers where possible and matched-funding for local charities.

Post reporting date events

The company has declared and paid dividends amounting to £340,000 since 31 December 2022.

Auditor

The auditor, Ernst & Young LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

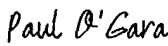
UK streamlined energy and carbon reporting (SECR)

The company has complied with the UK Streamlined Energy and Carbon Reporting (SECR) requirements along with other UK entities that are part of the UK organisational structure of AMETEK Inc. The relevant information is reported in our highest UK entity, AMETEK International Limited.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

DocuSigned by:

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P O'Gara
Director

21 September 2023

FINE TUBES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. Under company law the 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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. 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.

FINE TUBES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FINE TUBES LIMITED

Opinion

We have audited the financial statements of Fine Tubes Limited (the 'company') for the year ended 31 December 2022 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 26 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 Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for 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 below. 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 the period to December 2024.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

FINE TUBES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF FINE TUBES LIMITED

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 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 set out on page 5, 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 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.

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.

FINE TUBES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF FINE TUBES LIMITED

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102 and the Companies Act 2006) and compliance with the relevant direct and indirect tax regulation in the United Kingdom. In addition, the Company has to comply with laws and regulations relating to its operations, including UK employment law.
- We understood how the Company is complying with those frameworks by making enquiries of management and those charged with governance to understand how the company maintains and communicates its policies and procedures in these areas. We understood any controls put in place by management to reduce the opportunities for fraudulent transactions.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur through internal team conversations and inquiry of management and those charged with governance. Through these procedures we determined there to be a risk of management override associated with revenue and a fraud risk around revenue recognition, in particular the revenue recognition on transactions at or near year end. We selected a sample of transactions at the year end to perform detailed testing, including understanding of the nature of the transactions, verifying that the margin is appropriate, and verifying the clerical accuracy of the revenue recognised. In relation to management override we incorporated data analytics into our testing of manual journals, including segregation of duties, and into our testing of revenue recognition. We tested specific transactions back to source documentation ensuring appropriate authorisation of the transactions.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations and to respond to the assessed risks. Our procedures included verifying that material transactions are recorded in compliance with FRS 102 and where appropriate Companies Act 2006. Compliance with other operational laws and regulations was covered through our inquiry with no indication of non-compliance identified.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://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.

Ernst & Young LLP

**Jos Burkill (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP
Statutory Auditor
Bristol**

21 September 2023
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FINE TUBES LIMITED**INCOME STATEMENT****FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £'000	2021 £'000
Turnover	3	29,722	24,113
Cost of sales		(23,198)	(20,569)
Gross profit		<u>6,524</u>	<u>3,544</u>
Distribution costs		(1,056)	(787)
Administrative expenses		(2,782)	(1,960)
Other operating income		31	359
Operating profit	4	<u>2,717</u>	<u>1,156</u>
Interest receivable and similar income	8	314	163
Interest payable and similar expenses	9	(28)	(143)
Profit before taxation		<u>3,003</u>	<u>1,176</u>
Tax on profit	10	(536)	(1,431)
Profit/(loss) for the financial year		<u><u>2,467</u></u>	<u><u>(255)</u></u>

The income statement has been prepared on the basis that all operations are continuing operations.

FINE TUBES LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £'000	2021 £'000
Profit/(loss) for the year		2,467	(255)
Other comprehensive gain/(loss)			
Actuarial gain/(loss) recognised on defined benefit pension scheme	18	(636)	6,246
Movement on taxation relating to pension scheme liability		121	(516)
Other comprehensive income/(loss) for the year		(515)	5,730
Total comprehensive income for the year		1,952	5,475

FINE TUBES LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2022**

	Notes	2022		2021	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	12		6,105		6,821
Current assets					
Stocks	13	6,763		4,354	
Debtors	14	18,608		16,120	
Cash at bank and in hand		7,507		6,549	
			32,878		27,023
Creditors: amounts falling due within one year	16	(8,907)		(5,169)	
Net current assets			23,971		21,854
Total assets less current liabilities			30,076		28,675
Provisions for liabilities	17		(994)		(802)
Defined benefit pension liability	18		(1,800)		(1,796)
Net assets			27,282		26,077
Capital and reserves					
Called up share capital	19		108		108
Share premium account	20		6,633		6,633
Capital contribution reserve	21		9,371		9,371
Profit and loss reserves	22		11,170		9,965
Total equity			27,282		26,077

The financial statements were approved by the board of directors and authorised for issue on 21 September 2023 and are signed on its behalf by:

DocuSigned by:

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 P O'Gara
 Director

Company Registration No. 00381159

FINE TUBES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Share premium account	Capital contribution reserve	Profit and loss reserves	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2021	108	6,633	9,371	4,475	20,587
Loss for the year	-	-	-	(255)	(255)
Other comprehensive loss for the year - Actuarial gain/(loss) on defined benefit plan net of tax	-	-	-	5,730	5,730
Total comprehensive loss for the year	-	-	-	5,475	5,475
Credit to equity for equity settled share-based payments	-	-	-	15	15
Balance at 31 December 2021	108	6,633	9,371	9,965	26,077
Profit for the year	-	-	-	2,467	2,467
Other comprehensive loss for the year - Actuarial gain/(loss) on defined benefit plan net of tax	-	-	-	(515)	(515)
Total comprehensive income for the year	-	-	-	1,952	1,952
Dividends	-	-	-	(836)	(836)
Credit to equity for equity settled share-based payments	-	-	-	89	89
Balance at 31 December 2022	108	6,633	9,371	11,170	27,282

FINE TUBES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Fine Tubes Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2 New Star Road, Leicester, LE4 9JD.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006. The financial statements were approved for issue on the date shown on the statement of financial position.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention, except where stated otherwise. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- The requirement to present a statement of cash flows and related notes
- financial instrument disclosures, including:
 - categories of financial instruments
 - items of income, expenses, gains or losses relating to financial instruments and;
 - exposure to and management of financial risks
- share based payment disclosures, including:
 - a description of each type of share based payment arrangement that has existed and;
 - details of exercises and vests during the period
- related party transaction disclosures including (i) transactions with wholly owned subsidiaries of the AMETEK Inc group (ii) disclosures related to key management remuneration.

1.2 Going concern

The company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives and details of the company's exposure to risk are described in the strategic report on page 1. As noted on pages 10 and 12 respectively, the company has generated a profit after tax of £2,467,000 for the year-ended 31 December 2022 and has net current assets of £23,971,000 and net assets of £27,282,000 at this date.

In assessing whether the financial statements should be prepared on a going concern basis the directors have considered the impact of COVID-19 on the company. In this regard, the directors note that markets have seen a significant recovery during 2022 as covid restrictions and infection rates reduced. Demand has increased in all sectors with the current backlog taking the business well into the first quarter of 2024. Relationships with existing contract customers remain strong with a steady flow of a new business promoting growth throughout 2023. As the economy emerges from the pandemic the management team have been closely monitoring upward pricing pressures and supply chain availability to customers. Steps were taken to protect margins and ensure a sustainable supply of parts and materials are available to support future business.

FINE TUBES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

The directors have stress tested the forecasts for the remainder of 2023 and through to December 2024 noting the most significant factor impacting the cash inflows for the company is the level of revenues being generated. These stress tests show that, with the current actions in place to mitigate costs, a fall in forecast revenues of over 17% would be required for the Company to run out of liquid funds. This fall in revenue represents a significant reduction on forecasts revenues to December 2024. With the order book for 2023 currently at full capacity, the directors consider that the likelihood of this occurring is remote.

The directors assess that with the company's customer, industry and market diversification, the company is well positioned to continue business.

On the basis of their assessment, including the factors detailed above, the directors have concluded it is appropriate for the company's 2022 financial statements to be prepared on a going concern basis.

1.3 Revenue recognition

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income

Revenue is recognised as interest accrues using the effective interest method.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Costs include directly attributable costs that are necessary to bring the asset to its operating condition.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	2% to 12.5%
Plant, machinery, tools, dies, fixtures and fittings	5% to 50%

Land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

Assets under construction are carried at cost, less any identifiable impairment loss.

1.5 Capitalisation of interest costs

Interest costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest is capitalised at the company's average borrowing rate.

FINE TUBES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.6 Stocks

Stocks and work in progress are stated at the lower of cost and estimated selling price less costs to complete and sell. In general, cost is determined on a first in first out basis and includes transport and handling costs. In the case of manufactured products, cost includes all direct expenditure and production overheads based on the normal level of activity. Provision is made where necessary for obsolete, slow moving and defective stocks.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through the statement of total comprehensive income are measured at fair value.

Loans and receivables

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through the income statement, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the income statement.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

FINE TUBES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Other financial liabilities classified as fair value through the income statement are measured at fair value.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date. Current tax is charged or credited to the income statement, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income or equity.

FINE TUBES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to the statement of other comprehensive income or the statement of equity, in which case the deferred tax is also dealt with in the statement of comprehensive income or equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in the income statement in the period in which it arises.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

FINE TUBES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. The cost of such contributions is recognised in the period in which the contributions are made.

The company operates a defined benefit pension scheme which is contracted out of the state scheme. The scheme was closed to future accrual on 3 July 2006. The fund is valued every three years by a professionally qualified independent actuary, the rates of contribution payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates. Pension scheme assets are measured using current bid price. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent terms and currency to the liability. The increase in the present value of the liabilities of the defined benefit pension scheme expected to arise from employee service in the period is charged to operating profit. The expected return on the scheme's assets and the increase during the year in the present value of the scheme's liabilities arising from the passage of time are included in interest payable and similar charges or interest receivable, as appropriate. Actuarial gains and losses are recognised in the statement of comprehensive income. The pension scheme's surplus, to the extent that it is considered recoverable, or deficit is recognised in full and presented on the face of the statement of financial position.

1.14 Share-based payments

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined using an appropriate pricing model. No expense is recognised for awards that do not ultimately vest.

At each reporting date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions that impact on the number of equity instruments that will ultimately vest. The movement in cumulative expense since the previous reporting date is recognised in the income statement for the year (as part of wages and salaries) with a corresponding reserve transfer to the profit and loss reserve.

There are no non-equity settled share based payments.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.16 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to income are recognised over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

FINE TUBES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.18 Research and development

Research and development expenditure is expensed as it is incurred.

2 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported in the financial statements. The following are considered to have the most significant effect on the amounts recognised in the financial statements:

- Taxation - the determination of the amount of deferred tax assets that can be recognised, based on the likely level and timing of future profit.
- Stocks – the determination of provision required to ensure that inventories are recorded at the lower of cost and net realisable value.
- Fixed assets – the determination on whether impairment provisions are required to reduce the carrying value of tangible fixed assets.
- Retirement benefits - the cost of defined benefit pension plans is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 19.
- Provisions - provisions are estimated based on current forecasts of the amounts required to settle the liability. Due to the nature of the estimate, this may be subject to change from information arising in the future.

FINE TUBES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

3 Turnover

Turnover analysed by geographical market

	2022 £'000	2021 £'000
Europe	21,624	17,882
Asia	1,592	1,989
Americas (excluding USA)	807	934
USA	5,699	3,308
	<u>29,722</u>	<u>24,113</u>

The company's turnover is generated by its main class of business, being the sale of stainless steel, titanium and nickel tubing and is classified in line with the classifications used throughout the AMETEK group.

4 Operating profit

	2022 £'000	2021 £'000
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(165)	(3)
Depreciation of owned tangible fixed assets	1,339	1,396
(Profit)/loss on disposal of tangible fixed assets	-	10
Cost of stocks recognised as an expense	5,010	5,390
Operating lease charges	76	82
	<u>76</u>	<u>82</u>

5 Auditor's remuneration

	2022 £'000	2021 £'000
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	145	143
	<u>145</u>	<u>143</u>

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Production	182	180
Selling and distribution	21	21
	<u>203</u>	<u>201</u>

FINE TUBES LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2022**6 Employees (Continued)**

Their aggregate remuneration comprised:

	2022 £'000	2021 £'000
Wages and salaries	10,093	8,234
Social security costs	891	744
Pension costs	523	493
	<u>11,507</u>	<u>9,471</u>

Included in wages and salaries is a total credit for share-based payments in relation to equity transactions of £89,000 (2021: £15,000) of which £53,000 (2021: £15,000) relates to restricted shares and £36,000 (2021: £0) relates to share options. Further details are given in the group financial statements of the ultimate parent entity, AMETEK Inc.

7 Directors' remuneration

	2022 £'000	2021 £'000
Remuneration for qualifying services	179	149
Company pension contributions to defined contribution schemes	10	16
	<u>189</u>	<u>165</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2021 - 1).

The number of directors who received shares under long term incentive schemes during the year was 1 (2021 - 1).

8 Interest receivable and similar income

	2022 £'000	2021 £'000
Interest income		
Interest receivable from group companies	314	163
	<u>314</u>	<u>163</u>

9 Interest payable and similar expenses

	2022 £'000	2021 £'000
Net interest on the defined benefit liability	28	113
Other interest	-	30
	<u>28</u>	<u>143</u>

FINE TUBES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

10 Taxation

	2022 £'000	2021 £'000
Current tax		
UK corporation tax on profits for the current period	820	467
Adjustments in respect of prior periods	(4)	821
	<u>816</u>	<u>1,288</u>
Deferred tax		
Origination and reversal of timing differences	(213)	(215)
Changes in tax rates	(67)	551
Adjustment in respect of prior periods	-	(193)
	<u>(280)</u>	<u>143</u>
Total tax charge	<u>536</u>	<u>1,431</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £'000	2021 £'000
Profit before taxation	<u>3,003</u>	<u>1,176</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	571	223
Tax effect of expenses that are not deductible in determining taxable profit	36	29
Effect of rate changes	(67)	551
Under provided in prior years	(4)	628
	<u>536</u>	<u>1,431</u>

In addition to the amount charged to the income statement, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2022 £'000	2021 £'000
Taxation arising on:		
Actuarial differences recognised as other comprehensive income	<u>(121)</u>	<u>516</u>

Factors that may affect the future tax charge

FINE TUBES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

10 Taxation

(Continued)

The company's profits for this accounting period are taxed at a rate of 19%. In his Spring 2023 Budget statement on 15 March 2023, the Chancellor of the Exchequer confirmed that the main corporation tax rate would increase from 19% to 25% with effect from 1 April 2023. Deferred tax balances have been stated at 25%.

11 Dividends

	2022 £'000	2021 £'000
Final paid	836	-

12 Tangible fixed assets

	Freehold land and buildings £'000	Assets under construction £'000	Plant and machinery, fixtures and fitting £'000	Total £'000
Cost				
At 1 January 2022	3,856	224	23,671	27,751
Additions	-	623	-	623
Transfer from assets under construction	71	(550)	479	-
At 31 December 2022	3,927	297	24,150	28,374
Accumulated depreciation and impairment				
At 1 January 2022	2,258	-	18,672	20,930
Charge for the year	121	-	1,218	1,339
At 31 December 2022	2,379	-	19,890	22,269
Carrying amount				
At 31 December 2022	1,548	297	4,260	6,105
At 31 December 2021	1,598	224	4,999	6,821

13 Stocks

	2022 £'000	2021 £'000
Raw materials and consumables	1,685	967
Work in progress	4,541	2,634
Finished goods and goods for resale	537	753
	6,763	4,354

FINE TUBES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

14 Debtors	2022	2021
Amounts falling due within one year:	£'000	£'000
Trade debtors	5,905	4,100
Amounts due from fellow subsidiary undertakings	11,510	11,159
Corporation tax recoverable	207	53
Prepayments and accrued income	206	309
	<u>17,828</u>	<u>15,621</u>
Deferred tax asset (note 15)	780	499
	<u>18,608</u>	<u>16,120</u>

Included within amounts due from fellow subsidiary undertakings is £11,401,000 (2021: £11,086,000) from Tubes Holdco Limited which carries interest at a rate of 3 Month GBP LIBOR (or its nearest equivalent) plus 150 basis points, is unsecured and payable on demand. Following the discontinuation of LIBOR at the end of 2021, from 1 January 2022 the interest rate on these amounts has been rebased to SONIA. All other amount due from fellow subsidiary undertakings are non-interest bearing, unsecured and payable on demand.

15 Deferred taxation

The following are the major deferred tax liabilities and (assets) recognised by the company and movements thereon:

Balances:	Assets 2022 £'000	Assets 2021 £'000
Accelerated capital allowances	(289)	(16)
Short term timing differences	(42)	(34)
Retirement benefit obligations	(449)	(449)
	<u>(780)</u>	<u>(499)</u>
		2022
Movements in the year:		£'000
Asset at 1 January 2022		(499)
Credit to profit or loss		(280)
Credit to other comprehensive income		(1)
Asset at 31 December 2022		<u>(780)</u>

The company expects deferred tax assets of £nil to reverse during 2023.

FINE TUBES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

16 Creditors: amounts falling due within one year	2022 £'000	2021 £'000
Trade creditors	5,865	3,144
Amounts due to fellow subsidiary undertakings	1,055	508
Other taxation and social security	252	231
Other creditors	907	577
Accruals and deferred income	828	709
	<u>8,907</u>	<u>5,169</u>

Amounts due to fellow subsidiary are non-interest bearing, unsecured and payable on demand.

17 Provisions for liabilities	2022 £'000	2021 £'000
Other provisions	<u>994</u>	<u>802</u>

Movements on provisions:

	£'000
At 1 January 2022	802
Additional provisions in the year	421
Utilisation of provision	(229)
At 31 December 2022	<u>994</u>

Other provisions relate to environmental rectification work identified as required on acquisition by AMETEK Inc.

The provisions are expected to be utilised over the next five years as the rectification work is carried out.

18 Retirement benefit schemes

Defined contribution schemes

The charge to the income statement in respect of defined contribution schemes was £421,000 (2021: £370,000).

Defined benefit scheme

The company operates a defined benefit pension scheme providing benefits based on final pensionable salary. This was closed to future accrual on 3 July 2006. Other related benefits are also provided. Increases in benefits post retirement are subject to the discretion of the trustees. The assets of the scheme are held separately from those of the company.

FINE TUBES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

18 Retirement benefit schemes

(Continued)

Valuation

The valuation used has been based on the most recent comprehensive actuarial valuation as at 6 April 2020 and has been updated by an independent qualified actuary to 31 December 2022 allowing for cashflows in and out of the scheme and changes to assumptions over the period.

The company expects to contribute £789,000 to the scheme during the year to 31 December 2023.

Key assumptions

	2022	2021
	%	%
Discount rate	4.94	1.89
Pension growth rate (RPI capped at 5%)	3.10	3.20
Inflation (CPI) - pre retirement	2.55	2.80
Inflation (CPI) - post retirement	2.55	2.80
Inflation (RPI)	3.25	3.35
	<u> </u>	<u> </u>

Mortality assumptions

Assumed life expectations on retirement at age 65:

	2022	2021
	Years	Years
Retiring today		
- Males	21.10	21.10
- Females	23.50	23.40
	<u> </u>	<u> </u>
Retiring in 20 years		
- Males	22.40	22.40
- Females	24.90	24.90
	<u> </u>	<u> </u>

Amounts recognised in income statement in respect of defined benefit plans are as follows:

	2022	2021
	£'000	£'000
Administration costs	125	148
Net interest on defined benefit liability	28	163
	<u> </u>	<u> </u>
	153	311
	<u> </u>	<u> </u>

Past service costs arise from the equalisation of GMP for transfers out following the High Court judgement in November 2020.

FINE TUBES LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****18 Retirement benefit schemes****(Continued)**

Amounts recognised in other comprehensive income in respect of defined benefit plans are as follows:

	2022	2021
	£'000	£'000
Actuarial (gain)/loss related to obligations	636	(6,246)

The amounts included in the statement of financial position arising from the company's obligations in respect of defined benefit plans are as follows:

	2022	2021
	£'000	£'000
Present value of defined benefit obligations	(35,797)	(51,137)
Fair value of plan assets	33,997	49,341
Deficit in scheme	(1,800)	(1,796)
Liability recognised in statement of financial position	(1,800)	(1,796)

Movements in the present value of defined benefit obligations

	2022	2021
	£'000	£'000
At 1 January 2022	51,137	56,425
Benefits paid	(1,996)	(2,083)
Actuarial (gains)/loss	2,496	(690)
Interest cost	948	759
Changes in financial assumptions	(17,253)	(701)
Other	465	(2,573)
At 31 December 2022	35,797	51,137

The defined benefit obligations arise from plans funded as follows:

FINE TUBES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

18 Retirement benefit schemes (Continued)

Movements in the fair value of plan assets

	2022 £'000	2021 £'000
At 1 January 2022	49,341	47,881
Interest income	920	646
Return on plan assets less interest	(14,928)	2,282
Benefits paid	(1,996)	(2,083)
Contributions by the employer	785	763
Administrative expenses	(125)	(148)
	<u>33,997</u>	<u>49,341</u>
At 31 December 2022	<u>33,997</u>	<u>49,341</u>

The fair value of plan assets at the reporting end was as follows:

	2022 £'000	2021 £'000
Equities	6,657	9,729
Insurance policies	4,713	5,655
Other assets	16,961	20,346
Diversified growth funds	5,312	13,292
Cash fund	354	319
	<u>33,997</u>	<u>49,341</u>

19 Share capital	2022 £'000	2021 £'000
Ordinary share capital issued and fully paid		
108,293 Ordinary shares of £1 each	<u>108</u>	<u>108</u>

20 Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

21 Capital contribution reserve

This reserve records contributions made to the company's equity by the stakeholders.

22 Profit and loss reserves

This account includes all current and prior period retained profits and losses.

FINE TUBES LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****23 Operating leases commitments****Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments for vehicles amounting to £89,000 and machinery amounting to £13,000, under non-cancellable operating leases, which fall due as follows:

	2022 £'000	2021 £'000
Within one year	60	56
Between two and five years	42	43
	<u>102</u>	<u>99</u>

24 Financial commitments, guarantees and contingent liabilities

At 31 December 2022 the company had given performance guarantees amounting to £25,000 (2021: £25,000). In addition, the company maintained bonds in favour of HMRC amounting to £60,000 during the year (2021: £60,000).

25 Events after the reporting date

The company has declared and paid dividends amounting to £340,000 since 31 December 2022.

26 Controlling party

The immediate parent company is Tubes Holdco Limited a company registered in England and Wales.

The ultimate parent company is AMETEK Inc., a company incorporated in the United States of America. AMETEK Inc. prepares group financial statements which include the company and are the smallest and largest consolidated accounts that the company is included in, and copies can be obtained from 2 New Star Road, Leicester LE4 9JD.