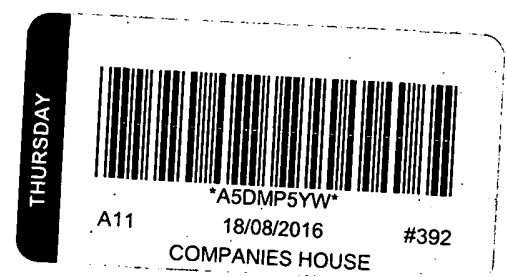


# **Schlumberger UK Holdings Limited**

(Registered Number: 01686572)

## **Directors' report and financial statements Year ended 31 December 2015**



# Schlumberger UK Holdings Limited

## Strategic report for the year ended 31 December 2015

The directors present their Strategic report on the Company for the year ended 31 December 2015.

### Principal activities and future developments

The principal activity of the Company is to act as an intermediate holding company. The Company does not trade and is expected to continue in this form for the foreseeable future.

### Review of the business

The Company continued to operate according to its principal activity.

The Company did not trade during the financial year and had no profit or loss activity during the year (2014: nil).

The directors did not propose a dividend in 2015 (2014: nil).

The Company's net assets remained at £85,904,000 (2014: £85,904,000).

### Key performance indicators (KPI's)

Given the nature and status of the business, the directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

### Principal risks and uncertainties

The Company operates as an intermediate holding company and as such the principal risks and uncertainties are integrated with the principal risks and uncertainties of the Schlumberger Limited worldwide group and are not managed separately. For an analysis of the principal risk factors affecting the Schlumberger Limited group, see item 1A, Risk Factors, in the 2015 Annual Report of Schlumberger Limited, copies of which can be obtained from [www.slb.com](http://www.slb.com).

During the year the Company transitioned from previously extent UK GAAP to The Financial Reporting Standards ("FRS 102") and has taken advantage of the disclosure exemptions allowed under the Standard. The Company's parent undertaking, Schlumberger plc, was notified of and did not object the use of disclosure exemptions. Details on the adoption of FRS 102 are included in note 12 to the financial statements.

This report was approved by the Board of Directors on 10 August 2016 and signed on its behalf by:



D Marsh  
Director

# Schlumberger UK Holdings Limited

## Directors' report for the year ended 31 December 2015

The directors present their report together with the audited financial statements of Schlumberger UK Holdings Limited Company (the "Company") for the year ended 31 December 2015.

### Principal activities, Review of the business and Principal risks and uncertainties

Details of these matters have been included in the Strategic report on page 1.

### Directors

The names of the Directors of the Company who held office during the year and up to the date of this report are as follows:

S Smoker

P Droy-Moore (resigned 31 December 2015)

D Marsh

### Financial risk management

The Company's operations expose it to a variety of financial risks that include the following:

#### Capital risk

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The principal risks are around carrying value of the Company's investments.

#### Credit risk

The Company's principal financial assets are cash at bank and in hand and other receivables. The Company's credit risk is primarily attributable to its other receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identifiable loss event which, based on previous experience, is evidence of a reduction in the recoverability of cash flows. Credit risk on liquid funds is limited because the counter parties are banks with high credit ratings assigned by international credit rating agencies.

#### Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses a mixture of long-term and short-term debt finance.

### Political donations and political expenditure

Neither political contributions nor political expenditure were made during the year (2014: £nil).

### Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' 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 prepared the financial statements in accordance with United Kingdom Accounting Standards comprising FRS 102 "The Financial Reporting Standards" applicable in UK and Republic of Ireland and applicable law (United Kingdom Accepted Accounting Practice).

# Schlumberger UK Holdings Limited

## Directors' report for the year ended 31 December 2015

### Statement of directors' responsibilities (continued)

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 FRS 102 "The Financial Reporting Standards" applicable in the UK and Republic of Ireland has been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- notify the Company's shareholders in writing about the use of disclosure exemptions of FRS 102 used in the preparation of financial statements.

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.

### Qualifying third-party indemnity provisions

The Company maintains liability insurance for its directors and officers. The Company also provides an indemnity for its directors, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. The indemnity for the directors was in force during the financial year and also at the date of approval of the financial statements.

### Disclosure of information to auditors

Each of the persons who are directors at the date of approval of this report confirm that:

(1) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

(2) each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

### Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the forthcoming Annual General Meeting.

This report was approved by the board on 10 August 2016 and signed on its behalf by



D Marsh  
**Director**  
10 August 2016

# **Schlumberger UK Holdings Limited**

## **Independent auditors' report to the members of Schlumberger UK Holdings Limited**

### **Report on the financial statements**

#### **Our opinion**

In our opinion, Schlumberger UK Holdings Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its result 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.

#### **What we have audited**

The financial statements, included within the Directors' report and financial statements (the "Annual Report"), comprise:

- the Balance sheet as at 31 December 2015;
- the Profit and loss account for the year then ended;
- the Statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, 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.

### **Other matters on which we are required to report by exception**

#### **Adequacy of accounting records and information and explanations received**

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, 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.

We have no exceptions to report arising from this responsibility.

#### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

# Schlumberger UK Holdings Limited

## Independent auditors' report to the members of Schlumberger UK Holdings Limited (continued)

### Responsibilities for the financial statements and the audit

#### Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on pages 2 and 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

#### What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Graham Lambert (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Gatwick  
10 August 2016

## Schlumberger UK Holdings Limited

### Profit and loss account Year ended 31 December 2015

	2015	2014
	£'000	£'000
<b>Operating result</b>	-	-
<b>Result on ordinary activities before taxation</b>	-	-
<b>Result for the financial year</b>	-	-

All results for the year ended 31 December 2015 and year ended 31 December 2014 are derived entirely from continuing operations.

The Company has no recognised gains or losses other than those shown above; therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 9 to 16 form part of these financial statements.

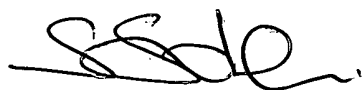
# Schlumberger UK Holdings Limited

## Balance sheet As at 31 December 2015

	Note	2015 £'000	2014 £'000
<b>Fixed assets</b>			
Investments	7	10,508	10,508
<b>Current assets</b>			
Debtors	8	85,904	85,904
Creditors: amounts falling due within one year	9	(10,508)	(10,508)
<b>Net current assets</b>		75,396	75,396
<b>Total assets less current liabilities</b>		85,904	85,904
<b>Net assets</b>		85,904	85,904
<b>Capital and reserves</b>			
Called up share capital	10	84,641	84,641
Share premium account		338	338
Profit and loss account		925	925
<b>Total shareholders' funds</b>		85,904	85,904

The notes on pages 9 to 16 form part of these financial statements.

These financial statements on pages 6 to 16 were approved by the Board of Directors on 10 August 2016 and were signed on its behalf by:



**S Smoker**  
Director  
Schlumberger UK Holdings Limited

Registered Number: 01686572



# Schlumberger UK Holdings Limited

## Statement of changes in equity Year ended 31 December 2015

Note	Called up share capital	Share premium account	Profit and loss account	Total Shareholder s' funds
	£'000	£'000	£'000	£'000
Balance as at 1 January 2014	84,641	338	925	85,904
Result for the financial year			-	-
Balance as at 31 December 2014	84,641	338	925	85,904
Balance as at 1 January 2015	84,641	338	925	85,904
Result for the financial year			-	-
<b>Balance as at 31 December 2015</b>	<b>84,641</b>	<b>338</b>	<b>925</b>	<b>85,904</b>

The notes on pages 9 to 16 form part of these financial statements

# **Schlumberger UK Holdings Limited**

## **Notes to the financial statements Year ended 31 December 2015**

### **1 General information**

Schlumberger UK Holdings Limited principal activities during the year have been as an intermediate holding company.

The company is incorporated in England and domiciled in United Kingdom. The address of its registered office is Schlumberger House, Buckingham Gate, Gatwick, West Sussex RH6 0NZ.

### **2 Statement of compliance**

The financial statements of Schlumberger UK Holdings Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standards 102, "The Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and Companies Act 2006. The date of transition to FRS 102 was on 1 January 2014.

### **3 Accounting policies**

The principal accounting policies applied in preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented. The company has adopted FRS 102 in these financial statements. Details of the transition to FRS 102 are disclosed in note 12.

#### **Basis of preparation**

These financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the current and preceding year, are set out below.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are described in note 4.

All Company results are shown in £'thousands unless stated otherwise.

#### **Exemption for qualified entities under FRS 102**

In its adoption of FRS 102, the Company as a qualifying entity has taken advantage of certain disclosure exemptions permitted, subject to certain conditions, which have been complied with, being the notification of, and no objection to the use of these exemptions by the Company's shareholders.

The Company has taken advantage of the following exemptions:

# **Schlumberger UK Holdings Limited**

## **Notes to the financial statements Year ended 31 December 2015 (continued)**

### **3 Accounting policies (continued)**

#### **Exemption for qualified entities under FRS 102 (continued)**

- i) from preparing a statement of cash flow, on the basis that it is a qualifying entity and the consolidated statement of cash flow of Schlumberger Limited, includes the Company's cash flow. (FRS 102 paragraph 1.12(b));
- ii) from the financial instrument disclosures, required under FRS 102 as the information is provided in the consolidated financial statement of Schlumberger Limited (paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29);
- iii) from the related party transactions disclosures, required under FRS 102 as the information is provided in the consolidated financial statement of Schlumberger Limited (paragraph 33.1A);
- iv) from preparation and delivering of Group financial statements as the Company is a wholly owned subsidiary of Schlumberger Limited, a company incorporated in Curacao (a country within the Kingdom of the Netherlands), and its results are included in the publically available consolidated financial statements of Schlumberger Limited (paragraph 9.3(c)).

#### **Going concern**

Having considered financial commitments falling due in the twelve months from the date of this report the Directors' consider the Company has sufficient assets available to satisfy its obligations. Accordingly, we continue to adopt the going concern basis in preparing the financial statements.

#### **Investments in subsidiaries**

Fixed asset investments are included in the Company balance sheet at cost less any provisions for impairment.

#### **Impairment review**

The carrying values of fixed assets and investments are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. Any impairment in the value of assets below carrying value is charged to the profit and loss account.

Any impairment is determined by comparing the carrying value of the asset with its recoverable amount. In assessing the recoverable amount of investments the directors' have considered the net assets of the relevant investment.

#### **Financial assets and liabilities**

The classification of financial assets and liabilities depends on the purpose for which the financial assets were acquired or the financial liabilities were incurred. Management determines the classification of its financial assets and liabilities at initial recognition. The Company classifies its financial assets in the following categories: loans and receivables and its financial liabilities in the following categories: Other financial liabilities.

# **Schlumberger UK Holdings Limited**

## **Notes to the financial statements Year ended 31 December 2015 (continued)**

### **(a) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are classified as non-current assets.

The Company's loans and receivables mainly comprise amounts owed by Schlumberger Limited group companies.

Loans and receivables are recognised initially at fair value plus directly attributable transaction costs. Subsequently, loans and receivables are stated at amortised cost using the effective interest method, less provision for impairment.

### **(b) Other financial liabilities**

The Company's other financial liabilities mainly comprise amounts owed to Schlumberger Limited group companies.

Other financial liabilities are recognised initially at fair value plus directly attributable transaction costs. Subsequently, other financial liabilities are stated at amortised cost using the effective interest method.

### **(c) Fair value estimation**

The fair value of financial instruments is determined by using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date.

Fair value is the amount at which a financial instrument could be exchanged in an arm's length transaction between informed and willing parties. Where available, market values have been used to determine fair values. Where market values are not available, fair values have been calculated by discounting expected cash flows at prevailing interest rates and by applying appropriate exchange rates.

The carrying values less impairment provision of intercompany receivables and payables approximate their fair values.

### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### **Distributions to equity holders**

Dividends and other distributions to company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the statement of changes in equity.

# **Schlumberger UK Holdings Limited**

## **Notes to the financial statements Year ended 31 December 2015 (continued)**

### **4 Critical accounting judgements and estimation uncertainty policies**

#### **(a) Critical accounting estimates and assumptions**

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within next financial year are address below.

##### *(i) Impairment of investments.*

The company makes an estimate of recoverable value of investments. When assessing impairment of investments, management considers the net assets of the investment. Impairment losses are shown in a separate line of the Profit and Loss account.

# Schlumberger UK Holdings Limited

## Notes to the financial statements Year ended 31 December 2015 (continued)

### 5 Profit and loss account

The Company did not trade during the financial year and had no profit or loss activity during the year (2014: nil). There is no tax charge for the current or prior year.

The Company did not employ any staff during the year and hence no staff costs were incurred (2014: £0).

Auditors' remuneration of £6,259 was borne by a Schlumberger plc group company (2014: £6,077).

### 6 Directors' emoluments

None of the directors received any emoluments during the year for services as a director of the Company (2014: £0).

### 7 Investments

	2015 £'000	2014 £'000
At 1 January	10,508	10,508
At 31 December	10,508	10,508

In the opinion of the directors, the recoverable amount of the Company's investments in its subsidiaries is not less than the amount at which they are stated in the balance sheet. In assessing the recoverable amount of investments the directors' have considered the net assets of the investment,

# Schlumberger UK Holdings Limited

## Notes to the financial statements Year ended 31 December 2015 (continued)

### 7 Investments (continued)

At 31 December 2015, the Company owned the entire ordinary share capital of the following principle subsidiary companies:

<u>Company</u>	<u>Country of incorporation and operation</u>	<u>Activity / Status</u>
Baker Jardine & Associates Limited	U.K.	Dormant
Data Marine Systems Limited (as a subsidiary of Schlumberger SIS Limited)	U.K.	Dormant
Lasalle Engineering (Holdings) Limited	U.K.	Dormant
Insensys Oil & Gas Ltd	U.K.	Dormant
Phoenix Petroleum Services Limited	U.K.	Dormant
Schlumberger Evaluation and Production Services (UK) Limited	U.K.	Dormant
Schlumberger SIS Limited	U.K.	Dormant
Schlumberger WCP Limited	U.K.	Dormant
Seismograph Service Limited	U.K.	Dormant
Seismograph Service (England) Limited	U.K.	Dormant
Seismograph Service (UK) Limited	U.K.	Dormant
Westhill Realisations Ltd	U.K.	Dormant
Sensa International Limited	U.K.	Dormant
Reda Industries Limited	U.K.	Dormant
Western UK Limited	U.K.	Dormant
Schlumberger Technologies Limited	U.K.	Dormant
Opnet International Limited	U.K.	Dormant

The directors believe that the carrying value of the investments is supported by their underlying net assets.

### 8 Debtors

	2015 £'000	2014 £'000
<b>Amounts falling due within one year:</b>		
<u>Amounts owed by group undertakings</u>	<u>85,904</u>	<u>85,904</u>

Balances owed by Schlumberger plc group companies are unsecured, interest free and payable on demand.

### 9 Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
<b>Amounts falling due within one year:</b>		
<u>Amounts owed to group undertakings</u>	<u>10,508</u>	<u>10,508</u>

Balances owed to Schlumberger plc group companies are unsecured, interest free and payable on demand.

# Schlumberger UK Holdings Limited

## Notes to the financial statements Year ended 31 December 2015 (continued)

### 10 Called up share capital

	2015 £'000	2014 £'000
<b>Authorised</b>		
100,000,000 (2013: 100,000,000) ordinary shares of £1 each	100,000	100,000
<b>Called-up, allotted, issued and fully paid</b>		
84,640,928 (2013: 84,640,928) ordinary shares of £1 each	84,641	84,641

### 11 Ultimate parent company

Schlumberger plc, a company registered in England, is the immediate parent company.

Schlumberger Limited, a company incorporated in Curacao a country within the Kingdom of the Netherlands, is the ultimate parent company (and ultimate controlling party) and is the parent undertaking of the largest group of undertakings of which Schlumberger UK Holdings Limited is a member and for which group financial statements are drawn up.

Copies of the financial statements of Schlumberger Limited from 5599 San Felipe, Houston, Texas 77056, USA.



# Schlumberger UK Holdings Limited

## Notes to the financial statements Year ended 31 December 2015 (continued)

### 12 Transition to FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements under the UK GAAP were for the year ended 31 December 2014. Set out below are the changes in accounting policies which reconcile profit for the financial year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014 between UK GAAP as previously reported and FRS 102.

#### Profit for the financial year

31 December 2014

£'000

Under UK GAAP – As previously reported	-
Total adjustment to profit before tax for the financial year	-
Total adjustment to tax expense	-
Total adjustment to profit for the financial year	-
Under FRS 102	-

1 January 2014 £'000

31 December 2014 £'000

Total equity		
Under UK GAAP – As previously reported	85,904	85,904
Total adjustment to equity for the financial year	-	-
Under FRS 102	85,904	85,904