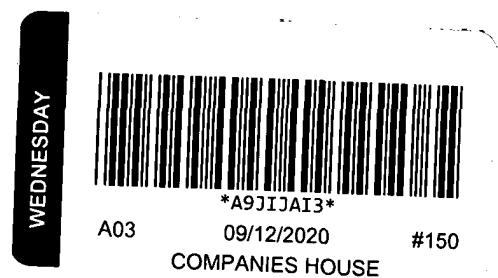


Schlumberger UK Holdings Limited

(Registered Number: 01686572)

**Annual report and financial statements
For the year ended 31 December 2019**



Schlumberger UK Holdings Limited

Strategic report for the year ended 31 December 2019

The directors present their strategic report together with the audited financial statements of Schlumberger UK Holdings Limited (the "Company") for the year ended 31 December 2019. The prior year comparatives in these financial statements are unaudited.

Principal activities and future developments

The principal activity of the Company is to act as an intermediate holding company 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 as a holding company throughout the year ended 31 December 2019.

Effective 1 January 2019, using the legislation of Cross Border Merger Regulations (2007), the assets and liabilities of 31 entities were merged into the Company. The loss for the year before taxation amounted to £10,507,000 (2018 (unaudited): Nil) arising from write off of investments £10,507,000 (2018 (unaudited): Nil) due to cross border merger.

The Company's net assets have increased to £95,773,000 (2018 (unaudited): £85,904,000), as a result of cross border merger activity in the current year.

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 2019 Annual Report of Schlumberger Limited, copies of which can be obtained from www.slb.com.

Covid-19

As detailed in note 3, Accounting policies - Going concern and note 12, Events after the end of the reporting period, the effects of the COVID-19 (coronavirus) pandemic, including actions taken by businesses and governments, have resulted in a significant and swift reduction in economic activity. These effects have adversely affected the demand for oil and natural gas, as well as for the Schlumberger Limited group's services and products.

These effects have included, and may continue to include, adverse revenue and net income effects; disruptions to Schlumberger Limited group's operations; customer shutdown of oil and gas exploration and production; employee impacts from illness, school closures and other community response measures; and temporary closure of the Schlumberger Limited group's facilities or the facilities of the Schlumberger Limited group's customers and suppliers.

Key performance indicators

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.

This report was approved by the Board of Directors on 3 December 2020 and signed on its behalf by:

M Higgins
Director
3 December 2020

DocuSigned by:
Mark Higgins
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Schlumberger UK Holdings Limited

Directors' report for the year ended 31 December 2019

The directors present their report together with the audited financial statements of Schlumberger UK Holdings Limited (the "Company") for the year ended 31 December 2019. The prior year comparatives in these financial statements are unaudited.

Principal activities, Review of the Business, Principal risks and uncertainties and Key performance indicators

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

Directors

The following were directors of the Company during the financial year and up to the date of signing these financial statements, unless otherwise stated:

G Park (appointed 29 May 2020)
S Smoker (resigned 29 May 2020)

M Higgins (appointed on 29 March 2019)
D Marsh (resigned on 29 March 2019)

Financial risk management

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

Credit risk

The Company's principal financial assets are intercompany receivables. An allowance for impairment is made where there is an identifiable event which, based on previous experience, is evidence of a reduction in the recoverability of cash flows.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses intercompany finance.

Capital risk

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 or issue new shares.

Dividends

The directors did not propose any dividends in 2019 (2018 (unaudited): £nil).

Future developments

The Company does not trade and is expected to continue in its current form in the foreseeable future.

Statement of directors' responsibilities in respect of the financial statements

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

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;

Schlumberger UK Holdings Limited

Directors' report for the year ended 31 December 2019 (continued)

Statement of directors' responsibilities in respect of the financial statements (continued)

- make judgements and accounting estimates that are reasonable and prudent; and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Future outlook

As detailed in note 3 Accounting policies - Going concern and note 12 Events after the end of reporting period, the effects of the COVID-19 (coronavirus) pandemic, including actions taken by businesses and governments, have resulted in a significant and swift reduction in economic activity.

The extent to which the Company's operating and financial results are affected by COVID-19 will depend on various factors and consequences beyond the Schlumberger Limited group's control, such as the duration and scope of the pandemic; additional actions by businesses and governments in response to the pandemic; and the speed and effectiveness of responses to combat the virus.

Looking forward, the Company sees a series of other factors that will likely define the oil market in the coming year. These include the impact of the latest OPEC and Russia production cuts in response to the COVID-19 pandemic and subsequent impact COVID-19 had on global oil demand, the expiration of the dispensations given to the Iran export sanctions, and the efforts being made to resolve global trade discussions. Based on these factors, the Company expects oil market sentiments to remain suppressed over the course of 2020, with a potential recovery in oil prices during 2021.

In the medium term, a market environment with continued robust economic growth will require a multiyear increase in international Exploration & Production investment. The Company is very well positioned to outgrow the market in the coming upcycle.

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 3 December 2020 and signed on its behalf by:

DocuSigned by:

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M Higgins
Director
3 December 2020

Schlumberger UK Holdings Limited

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

Report on the audit of the financial statements

Opinion

In our opinion, Schlumberger UK Holdings Limited's financial statements:

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

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2019, the profit and loss account and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for Opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

Reporting on other information

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

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

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

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

Schlumberger UK Holdings Limited

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

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Other matter

The financial statements for the year ended 31 December 2018, forming the corresponding figures of the financial statements for the year ended 31 December 2019, are unaudited.



Simon Bailey (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Gatwick
4 December 2020

Schlumberger UK Holdings Limited

Profit and loss account For the year ended 31 December 2019

	Note	2019 £'000	Unaudited 2018 £'000
Exceptional item – Investment write off	8	(10,507)	-
Loss before taxation		(10,507)	-
Tax on loss	7	-	-
Loss for the financial year		(10,507)	-

The results for the current and prior year arise from continuing operations.

There were no other gains and loss in the current or prior year other than the profit for the year and, accordingly, no statement of comprehensive income is presented.

The notes on pages 9 to 15 form part of these financial statements.

Schlumberger UK Holdings Limited

Balance sheet As at 31 December 2019

	Note	2019 £'000	Unaudited 2018 £'000
Fixed assets			
Investments	8	1	10,508
Current assets			
Debtors: amounts falling due within one year	9	122,775	85,904
		122,775	85,904
Creditors: amounts falling due within one year	10	(27,003)	(10,508)
Net current assets		95,772	75,396
Net assets		95,773	85,904
Capital and reserves			
Called up share capital	11	84,641	84,641
Share premium account	11	338	338
Profit and loss account		10,794	925
Total shareholders' funds		95,773	85,904

The notes on pages 9 to 15 form part of these financial statements.

The financial statements on pages 6 to 15 were approved by the board of directors on 3 December 2020 and signed on its behalf by:

DocuSigned by:

Gary Park

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G Park

Director

3 December 2020

Schlumberger UK Holdings Limited

Registered Number: 01686572

Schlumberger UK Holdings Limited

Statement of changes in equity For the year ended 31 December 2019

	Note	Called up share capital £'000	Share premium account £'000	Profit and loss account £'000	Total shareholders' funds £'000
Balance as at 1 January 2018 (Unaudited)	11	84,641	338	925	85,904
Result for the financial year and total comprehensive income		-	-	-	-
Balance as at 31 December 2018 (Unaudited)		84,641	338	925	85,904
Balance as at 1 January 2019		84,641	338	925	85,904
Transfer of merger reserve		-	-	20,376	20,376
Loss for the financial year and total comprehensive expense		-	-	(10,507)	(10,507)
Balance as at 31 December 2019		84,641	338	10,794	95,773

The notes on pages 9 to 15 form part of these financial statements.

Schlumberger UK Holdings Limited

Notes to the financial statements For the year ended 31 December 2019

1 General information

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

Schlumberger UK Holdings Limited is privately owned and limited by shares and 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.

The prior year balances unaudited as the company took audit exemption available for companies conferred by section 480 of the Companies Act 2016 relating to dormant companies for the year ended 31 December 2018.

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.

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. These financial statements were prepared in accordance with FRS 102 and the provision of the Companies Act 2006.

Basis of preparation

These financial statements have been prepared on a going concern basis, under the historical cost convention in accordance with the Companies Act 2006 and applicable United Kingdom Accounting Standards.

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 disclosed in note 4.

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

Exemption for qualified entities under FRS 102

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

The Company has taken advantage of the following exemptions:

- i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated financial statements 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). The group has chosen to adopt Section 11 and 12 of FRS 102 in respect of financial instruments;

Schlumberger UK Holdings Limited

Notes to the financial statements For the year ended 31 December 2019 (continued)

3 Accounting policies (continued) Exemption for qualified entities under FRS 102 (continued)

- iii) from the related party transaction disclosures, required under FRS 102 as the information is provided in the consolidated financial statement of Schlumberger Limited (paragraph 33.1A); and
- iv) from preparation and delivering of Group financial statements under section 401 Companies Act 2016 (paragraph 9.3(c)), 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 financial information is included in the publicly available consolidated financial statements of Schlumberger Limited.

Going concern

The directors consider it appropriate to prepare the financial statement on a going concern basis as, despite the uncertainties deriving from the current economic environment, the company is in an overall net asset position. The directors have a reasonable expectation that the company has adequate resources to enable it to continue meet its liabilities as they fall due for a period of at least 12 months from the date of these financial statements. As a result, the financial statements have been prepared under the going concern basis.

Investments in subsidiaries

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.

Cash at bank and in hand

Cash balances represent current bank account balances, cash held on overnight deposit or cash in hand.

Taxation

The tax expense for the period comprises current tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' equity. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' equity.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Provisions are made on the basis of amounts.

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.

(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.

Schlumberger UK Holdings Limited

Notes to the financial statements For the year ended 31 December 2019 (continued)

3 Accounting policies (continued)

Financial assets and liabilities (continued)

The Company's loans and receivables mainly comprise amounts owed by Schlumberger UK 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.

4 Critical accounting judgements and estimation uncertainty policies

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.

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 should they arise are shown in a separate line of the Profit and Loss account.

Schlumberger UK Holdings Limited

Notes to the financial statements For the year ended 31 December 2019 (continued)

4 Critical accounting judgements and estimation uncertainty policies (continued)

Critical accounting estimates and assumptions (continued)

Recoverability of intercompany balances

The Company has a significant concentration of its receivable balance from a few related parties (fellow group companies). The estimation uncertainty is managed by reviewing the financial positions of the intercompany counter party and ensuring any identified exposures are mitigated by adequately providing in accordance with the company's provisioning policy.

5 Profit and loss account

The Company did not trade during the financial year (2018 (unaudited): nil).

Auditors' remuneration of approximately £20,000 (2018 (unaudited): Nil) for the audit of the financial statements has been borne by Schlumberger Plc, a fellow group company in the current year.

6 Staff and directors' emoluments

Directors' remuneration is to be borne by Schlumberger Plc, a fellow group company in the current and prior year. The Company's directors are of the opinion that no reasonable allocation of this remuneration can be made to the Company.

The Company did not employ any staff during the year and hence no staff costs were incurred (2018 (unaudited): £ nil).

7 Tax on profit/(loss)

The taxation (credit)/charge based on the (loss)/profit for the year may be analysed as follows:

	Unaudited	
	2019	2018
	£'000	£'000
Current taxation		
UK corporation tax on profit/ (loss) for the year	-	-
Adjustments in respect of prior years	-	-
	<hr/>	<hr/>
Tax on profit/ (loss)	-	-
	<hr/>	<hr/>

Schlumberger UK Holdings Limited

Notes to the financial statements For the year ended 31 December 2019 (continued)

7 Tax on profit/(loss) (continued)

The corporation tax credit for the year is higher (2018 (unaudited): Nil) than the standard rate of corporation tax in the UK of 19% (2018 (unaudited): 19%). The differences are explained below:

	2019 £'000	Unaudited 2018 £'000
Loss before taxation	(10,507)	-
Tax on loss multiplied by the tax rate of 19% (2018: 19%)	(1,997)	-
Group relief surrender	-	-
Expenses not deductible for tax purposes	1,997	-
Income not taxable for tax purposes	-	-
Tax charge/(credit) for the year	-	-

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020. As the proposal to keep the rate at 19% had not been substantively enacted as at balance sheet date, its effects are not included in the financial statements.

8 Investments

	2019 £'000	Unaudited 2018 £'000
Net carrying amount:		
At 1 January	10,508	10,508
Investment write off	10,507	-
At 31 December	1	10,508

During the year, the company has write off its investment in its subsidiaries £10,507,000 (2018 (unaudited): £Nil) due to cross border merger.

At 31 December 2019, the Company owned the entire ordinary share capital of the following subsidiary companies:

<u>Company</u>	<u>Country of incorporation and operation</u>	<u>Activity / Status</u>
Schlumberger WCP Limited (*)	U.K.	Dormant

(*) The registered address for all of the above is Schlumberger House, Buckingham Gate, Gatwick, West Sussex, RH6 0NZ.

Schlumberger UK Holdings Limited

Notes to the financial statements For the year ended 31 December 2019 (continued)

9 Debtors: amounts falling due within one year

	2019 £'000	Unaudited 2018 £'000
Amounts owed by group undertakings	122,775	85,904

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

10 Creditors: amounts falling due within one year

	2019 £'000	Unaudited 2018 £'000
Amounts owed to group undertakings	27,003	10,508
Corporate taxation	-	-
	27,003	10,508

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

11 Called up share capital

	2019 £'000	Unaudited 2018 £'000
Authorised shares		
100,000,000 (2018: 100,000,000) ordinary shares of £1 each	100,000	100,000
Allotted and fully paid		
84,640,928 (2018: 84,640,928) ordinary shares of £1 each	84,641	84,641

Share premium account

The balance on the share premium account is £338,000 (2018 (unaudited): £338,000), arose from the issue of shares in consideration for the ordinary share capital of Schlumberger Evaluation and Production Services (UK) Limited. (refer to Note 8)

12 Controlling parties

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 For the year ended 31 December 2019 (continued)

13 Post balance sheets events

The COVID-19 pandemic has significantly reduced demand for the Limited's group's services, and has had, and may continue to have, a material adverse impact on the Schlumberger Limited's group's financial condition, results of operations and cash flows.

The effects of the COVID-19 (coronavirus) pandemic, including actions taken by businesses and governments, have resulted in a significant and swift reduction in activity. These effects have adversely affected the demand for oil and natural gas, as well as for the Schlumberger Limited's group's services and products. The collapse in the demand for oil caused by this unprecedented global health and economic crisis, coupled with oil oversupply, has had, and is reasonably likely to continue to have, a material adverse impact on the demand for the Schlumberger Limited's group's services and products. The decline in the Schlumberger Limited group's customers' demand for the Schlumberger Limited group's services and products has had, and is likely to continue to have, a material adverse impact on the Schlumberger Limited group's financial condition, results of operations and cash flows.

While the full impact of the COVID-19 outbreak is not yet known, the Schlumberger Limited group and the Company's management is closely monitoring the effects of the pandemic on commodity demands and on the Schlumberger Limited group's customers, as well as on the Schlumberger Limited group's operations and employees. These effects have included, and may continue to include, adverse revenue and net income effects; disruptions to the Schlumberger Limited group's operations; customer shutdowns of oil and gas exploration and production; employee impacts from illness, school closures and other community response measures; and temporary closures of the Schlumberger Limited group's facilities or the facilities of the Schlumberger Limited group's customers and suppliers.

The extent to which the Schlumberger Limited Group's operating and financial results are affected by COVID-19 will depend on various factors and consequences beyond the Schlumberger Limited Group's control, such as the duration and scope of the pandemic; additional actions by businesses and governments in response to the pandemic; and the speed and effectiveness of responses to combat the virus. COVID-19, and the volatile economic conditions stemming from the pandemic, could also aggravate the other risk factors that we identify in the Directors' Report. COVID-19 may also materially adversely affect the Schlumberger Limited Group's operating and financial results in a manner that is not currently known to the management of the Schlumberger Limited Group and the Company that is not currently considered to present significant risks to the Schlumberger Limited Group's operations.