

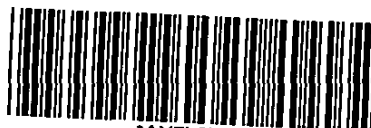
Diamould Limited

Registered Number 3797278

Directors' Report and Financial Statements

Year Ended 31 December 2010

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Diamould Limited

Directors' Report for the year ended 31 December 2010

The directors submit their annual report together with the audited financial statements of Diamould Limited (the "Company") for the year ended 31 December 2010

Principal activities

The Company's principal activity is the manufacture, design and supply of integrated connectivity solutions to the oil and gas industry

Review of the business and results

The Company's profit for the financial year is £340,000 for the year ended 31 December 2010 (2009 £1,331,000) The directors do not recommend the payment of a dividend (2009 £nil) The Directors believe that the Company has invested in the growth of the business in 2010 and is well positioned to take advantage of opportunities in the industry

Principal risks and uncertainties

The principal risks and uncertainties of the Company are integrated with the principal risks of the group and are not managed separately Accordingly, the principal risks and uncertainties of the Schlumberger plc group, which include those of the Company, are discussed in the Directors' report disclosed on page 7 in the financial statements of Schlumberger plc which does not form part of this report

Key performance indicators (KPI's)

Given the straight forward nature of the business, the company's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business

Future outlook

The Company has made significant progress during the year and the directors believe that the Company is well placed to continue to develop

Directors

The following were directors of the Company during the year and up to date of signing the financial statements

A Nicholson
N Ray (resigned 1 May 2010)
S Smoker
R H Martin

A Goldby (resigned 31 December 2010)
O Olatona (resigned 1 January 2010)
P Droy (appointed 1 May 2010)
P Ireland (appointed 1 January 2010)

Payments to suppliers

The Company agrees terms and conditions for its business transactions with suppliers, both third party and affiliated companies Payment is made on these terms providing the supplier meets its obligations The Company had 19 days purchases outstanding as at 31 December 2010 (2009 30 days) based on the average daily amount invoiced by suppliers during the year

Diamould Limited

Directors' Report for the year ended 31 December 2010 (continued)

Financial instruments

The Company has no significant concentration of liquidity risk as current assets include debtors repayable on demand sufficient to meet all current liabilities

Financial instruments are not currently used to manage the Company's exposure to interest rate risk

Political contributions and charitable donations

No political donations were made during the year (2009 £nil) The Company made charitable donations amounting to £3,000 (2009 £3,787)

Policy for quality, health, safety and environment

It is the Company's policy to ensure that quality, health, safety and environmental considerations are top priority for management and employees. Prevention of accidental risk and loss from process failure is an integral part of the Company's continuous improvement culture.

Policy for employment of disabled persons

It is the Company's policy to give full and fair consideration to suitable applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Disabled employees are eligible to participate in all career development opportunities available to staff. Opportunities also exist for employees of the Company who become disabled to continue in their employment or to be trained for other positions in the Company.

Employee participation

Employees are regularly provided with information on matters of concern to them as employees. They are further encouraged to be involved in the Company's performance by being eligible to purchase stock of the ultimate parent company, Schlumberger Limited, at a discounted rate through a savings scheme.

The Company also lays stress on achieving a common awareness of all employees in relation to the financial and economic factors that affect the performance of the Company.

Statement of directors' responsibilities

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

Diamould Limited

Directors' Report for the year ended 31 December 2010 (continued)

Statement of directors' responsibilities (continued)

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 (United Kingdom Accounting Standards 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 group 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 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.

Disclosure of information to auditors

Each of the persons, who is a director at the date of approval of this report, confirms that

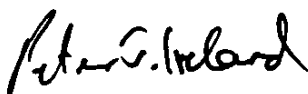
- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's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

This confirmation is given and should be interpreted in accordance with the provisions of section 418 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 Annual General Meeting.

On behalf of the Board



P Ireland

Director

29th September 2011



J A Nicholson

Diamould Limited

Independent auditors' report to the members of Diamould Limited for the year ended 31 December 2010

We have audited the financial statements of Diamould Limited for the year ended 31 December 2010 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Respective responsibilities of directors and auditors

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). 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.

Scope of the audit of the financial statements

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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2010 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

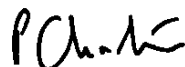
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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



Paul Christian (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Liverpool

30th September 2011

Diamould Limited

Profit and loss account for the year ended 31 December 2010

		2010	2009
	Note	£'000	£'000
Turnover	2	10,739	10,071
Cost of sales		(4,905)	(4,478)
Gross profit		5,834	5,593
Net operating expenses	4	(5,323)	(4,748)
Operating profit	5	511	845
Interest receivable	6	34	-
Profit on ordinary activities before taxation		545	845
Tax (charge)/credit on profit on ordinary activities	8	(205)	486
Profit for the financial year	16	340	1,331

All results are derived from continuing operations

The company has no recognised gains or losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented

The notes on pages 7 to 18 form part of these financial statements

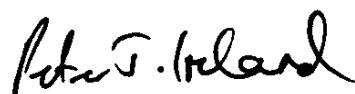
Diamould Limited

Balance Sheet as at 31 December 2010

	<i>Note</i>	2010 £'000	2009 £'000
Fixed assets			
Intangible Fixed Assets	9	-	-
Tangible Fixed Assets	10	605	1,047
		605	1,047
Current assets			
Stocks	11	1,780	1,081
Debtors – amounts due within one year	12	6,354	6,078
		8,134	7,159
Creditors: amounts falling due within one year	13	(1,888)	(1,695)
Net current assets		6,246	5,464
Net Assets		6,851	6,511
Capital and reserves			
Called up share capital	15	8,010	8,010
Share premium account	16	1,966	1,966
Profit and loss account – deficit	16	(3,125)	(3,465)
Total shareholder's funds	17	6,851	6,511

The notes on pages 8 to 18 form part of these financial statements

These financial statements on pages 5 to 18 were approved and authorised by the board of directors on 29 September 2011, and were signed on its behalf by



P Ireland
Director
Diamould Limited



J A Nicholson

Registered Number 3797278

Diamould Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

1 Accounting policies

Basis of preparation

The financial statements have been prepared on a 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 year, are set out below.

Turnover and revenue recognition

Turnover represents the sales value of goods and services supplied to external customers, excluding value added tax.

Products and service revenue recognition is based upon purchase orders, contracts or other persuasive evidence of an arrangement with the customer that include fixed and determinable prices and that do not include right of return or other similar provisions. Revenue is recognised for products on delivery, customer acceptance and when collectability is reasonably assured.

For long-term projects revenue is recognised on a percentage of completion basis.

Leases

All leases which do not entail taking substantially all the risks and rewards of ownership of an asset are accounted for as 'operating leases' and the rentals are charged to the profit and loss account on a straight line basis over the life of the lease. The company does not have any leases which take substantially all the risks and rewards of ownership of an asset.

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost includes direct materials only. Net realisable value is based on estimated selling price less further costs to completion and selling costs.

Work is undertaken for customers on long term contracts either on the basis that time and materials are billed as incurred or according to the terms of fixed price or limited price contracts (which are substantially long term). With respect to the former, turnover and profits are recognised according to time worked. With respect to fixed or limited price contracts, turnover is recognised according to the percentage of the estimated total contract value completed and a prudent proportion of profit is also recognised as the contract progresses. All losses are recognised as soon as incurred or foreseen.

Diamould Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on a straight line basis over the expected useful lives of each category of tangible fixed assets at the following rates

Leasehold buildings	50 years or the life of the lease if shorter
Plant and machinery	3-5 years
Fixtures, fittings, tools and equipment	2-10 years
Motor Vehicles	4 years
Computer equipment & software	3 years

Patents

Patents are valued at cost less accumulated amortisation. The patents are fully amortised

Taxation including deferred taxation

Corporation tax payable is provided on taxable profits at the current rate

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between taxable profits and results as stated in the financial statements

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

Deferred tax assets are recognised only when it is regarded as more likely than not that there will be suitable taxable profits against which to recover such assets in the future

Pensions

The charge against profits is the amount of defined contributions payable to the pension schemes in respect of the accounting period

The Schlumberger plc group scheme, which provides benefits on a defined benefit basis as well as a defined contribution basis, is run on a basis that does not enable individual companies within the group to identify their share of the underlying net assets and liabilities. As permitted by FRS17, the Company therefore accounts for the entire scheme as a defined contribution scheme

Diamould Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

1 Accounting policies (continued)

Foreign currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate in operation on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates in operation at the balance sheet date. All revaluation differences and realised foreign exchange differences are taken to the profit and loss account.

Related Party Disclosure

Transactions with other companies within the Group are not disclosed as the Company has taken advantage of the exemption available under Financial Reporting Standard 8 (FRS 8) "Related Party Disclosures" paragraph 3(c).

Cash flow statement

The Company is a wholly-owned subsidiary of Schlumberger plc and is included in the consolidated financial statements of Schlumberger plc, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996).

Government grants

Grants of a revenue nature are credited to income in the period to which they relate. Grants of a capital nature are credited to deferred income and released over the life of the associated asset.

2 Turnover

The analysis of the destination of sales by geographical area is as follows

	2010	2009
	£'000	£'000
United Kingdom	4,429	5,562
Rest of Europe	193	260
Americas	4,556	2,757
Africa/Asia/Australia	1,561	1,492
	10,739	10,071

In the opinion of the directors there is only one class of business

Diamould Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

3 Staff numbers and costs

The average number of persons employed by the Company during the year (including directors) was as follows

	2010 Number	2009 Number
Direct labour	34	76
Selling, marketing and distribution	9	7
Administration	60	21
	103	104

The aggregate payroll costs were as follows

	2010 £'000	2009 £'000
Wages and salaries (including bonuses)	3,585	3,020
Social security costs	326	276
Pension costs (note 18)	352	361
	4,263	3,657

4 Analysis of net operating expenses

	2010 £'000	2009 £'000
Administrative expenses	5,063	4,621
Selling, marketing and distribution costs	225	162
Other expense/ (income) (including exchange gain/loss)	35	(35)
	5,323	4,748

Diamould Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

5 Operating profit

The operating profit is stated after charging/(crediting) the following items

	2010	2009
	£'000	£'000
Depreciation of tangible fixed assets (note 10)	434	513
Auditors' remuneration		
- audit	20	18
Grant income	(34)	(72)
Foreign exchange losses	69	60

6 Interest receivable

	2010	2009
	£'000	£'000
Interest receivable from Schlumberger plc group companies	34	-

7 Directors' emoluments

Of the eight directors in office during the year, two were remunerated by the company (2009 two)

The aggregate emoluments of the directors amounted to £292,329 (2009 £316,515) The emoluments of the highest paid director amounted to £148,496 (2009 £174,295) including pension contributions of £17,400 (2009 £24,306)

Of the directors one (2009 one) is accruing retirement benefits under a money purchase scheme

The pension accrued for the year under a money purchase scheme of the highest paid director amounted to £17,400 (2009 £24,306)

Diamould Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

13 Creditors: amounts falling due within one year

	2010	2009
	£'000	£'000
Bank overdraft	8	18
Trade creditors	260	328
Amounts owed Schlumberger plc group companies	86	10
Amounts owed to other group companies	237	28
Taxation and social security	106	101
Other creditors	-	9
Accruals and deferred income	1,191	1,201
	1,888	1,695

Non-trading balances and loans between the company and other Schlumberger plc group companies are repayable on demand and accrue interest at LIBOR plus 50 basis points. Trading transactions between these parties are settled within normal market terms.

14 Deferred taxation

	2010	2009
	£'000	£'000
Asset as at 1 January	757	260
Profit and loss account charge/(credit) current year	(195)	497
Asset at 31 December	562	757

At 31 December 2010 the deferred taxation asset balance is represented by the following timing differences

	2010	2009
	£'000	£'000
Accelerated Capital Allowances	284	256
Short term timing differences	39	33
Tax losses	239	468
Balance at 31 December – Asset	562	757

Diamould Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

8 Tax (charge)/credit on profit on ordinary activities

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

	2010 £'000	2009 £'000
Current tax		
Current year corporation tax at 28% (2009 28%)	(10)	(7)
Prior year adjustment	-	(4)
	(10)	(11)
Deferred tax		
Current year (note 14)	(195)	497
Total deferred tax	(195)	497
Total tax (charge)/credit on profit on ordinary activities	(205)	486

The tax assessed for the period differs from the standard rate of corporation tax in the UK of 28% (2009 28%) The differences are explained below

	2010 £'000	2009 £'000
Profit on ordinary activities before tax	545	845
Profit before tax multiplied by standard rate of 28% (2009 28%)	(153)	(237)
Utilisation of losses	228	284
Expenses not deductible for tax purposes	(32)	(34)
Short term and other timing differences	(53)	(20)
Adjustment in respect of prior year	-	(4)
Current tax credit for the year	(10)	(11)

A number of changes to the UK Corporation tax system have been announced The main rate of corporation tax was reduced from 28% to 26% from 1 April 2011 A further reduction in the main rate of corporation tax to 25% from 1 April 2012 was substantively enacted on 5 July 2011 following the third reading of the Finance Bill (No 3) 2010-11 in the House of Commons These changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements

Diamould Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

9 Intangible fixed assets - Patents

	2010 £'000	2009 £'000
Cost		
At 1 January 2010 and 31 December 2010	13	13
Accumulated amortisation		
At 1 January 2010 and 31 December 2010	13	13
Net book value as at 31 December 2009 and 2010	-	-

10 Tangible fixed assets

	Leasehold property	Plant & machinery	Fixtures, fittings, tools & equipment	Computer equipment & software	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 January 2010	665	1,812	1,019	246	3,742
Additions	-	7	33	-	40
Disposals	(48)	(29)	(145)	(211)	(433)
At 31 December 2010	617	1,790	907	35	3,349
Accumulated depreciation					
At 1 January 2010	(449)	(1,245)	(756)	(245)	(2,695)
Charge for the year	(111)	(210)	(112)	(1)	(434)
Disposals	-	29	145	211	385
At 31 December 2010	(560)	(1,426)	(723)	(35)	(2,744)
Net book value at 31 December 2010	57	364	184	-	605
Net book value at 31 December 2009	216	567	263	1	1,047

Diamould Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

11 Stocks

Stocks at the end of the year are analysed as follows

	2010	2009
	£'000	£'000
Raw materials	1,544	855
Work in progress	78	226
Finished Goods	158	-
	1,780	1,081

There is no material difference between the balance sheet amount of stock and its replacement value

12 Debtors – amounts due within one year

	2010	2009
	£'000	£'000
Trade debtors	2,289	2,216
Amounts owed by Schlumberger plc group companies	2,737	2,768
Amounts owed by other group companies	620	287
Deferred taxation (Note 14)	562	757
Prepayments and accrued income	146	50
	6,354	6,078

Non-trading balances and loans between the company and other Schlumberger plc group companies are repayable on demand and accrue interest at LIBOR plus 50 basis points. Trading transactions between these parties are settled within normal market terms.

Diamould Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

14 Deferred taxation (continued)

At 31 December 2010 the company had tax losses carried forward of £887,085 (2009 £1,672,000) upon which a deferred tax asset has been recognised. The directors consider that it is more likely than not that this asset will be recovered.

15 Called up share capital

	2010	2009
	£'000	£'000
Authorised		
9,998,000 Ordinary A shares of £1 each	9,998	9,998
2,000 ordinary B shares of £1 each	2	2
	10,000	10,000
Allotted and fully paid		
8,009,184 ordinary A shares of £1 each	8,009	8,009
528 ordinary B shares of £1 each	1	1
	8,010	8,010

Ordinary A Shares and Ordinary B Shares issued by the Company rank pari passu for all purposes.

16 Reserves

	Share Premium account	Profit and loss account
	£'000	£'000
At 1 January 2010	1,966	(3,465)
Profit for the financial year	-	340
At 31 December 2010	1,966	(3,125)

Diamould Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

17 Reconciliation of movements in shareholder's funds

	2010	2009
	£'000	£'000
Opening shareholder's funds	6,511	5,180
Profit for the year	340	1,331
Closing shareholder's funds	6,851	6,511

18 Pension commitments

The Company participates in the Schlumberger Plc group pension scheme, providing retirement benefits on both a defined benefit (DB) and defined contribution (DC) basis. Any payments to other Schlumberger Ltd group pension schemes are made on a defined contribution basis. Pension contributions for all schemes were £352,000 for 2010 (2009 £361,000). At the end of the year, contributions of £111,000 (2009 £98,000), representing additional profit sharing contributions to the defined contribution section of the scheme were outstanding.

In the Final Salary Benefit (FSB) section, members accrue both types of benefit while members in the Personal Money Fund (PMF) section accrue only defined contribution benefits. The FSB section has been closed since April 1999 and new members are admitted to the PMF section. A qualified actuary determines the contributions on the basis of valuations using the projected unit method. Particulars of the (FSB) Company pension scheme are contained in the financial statements of Schlumberger Plc.

19 Leasing commitments

	2010	2009
	£'000	£'000
Operating leases which expire		
Within one year	56	-
Between two and five years	65	96
	121	96

All leasing commitments relate to land and buildings.

The company had no other financial commitments at 31 December 2010 (2009 £nil).

Diamould Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

20 Capital Commitments

Capital expenditure contracted as at 31 December, for which no provisions have been made in these financial statements, was as follows

	2010	2009
	£'000	£'000
Contracted	97	-

21 Ultimate parent company

Schlumberger plc, is the parent undertaking of the smallest group of undertakings of which Diamould Limited is a member and for which group consolidated financial statements are drawn up. The immediate parent undertaking is Schlumberger Oilfield UK plc, a company registered in United Kingdom.

Schlumberger Limited, a company incorporated in the Netherlands Antilles, is the parent undertaking of the smallest and the largest group of undertakings of which Schlumberger plc is a member and for which Group accounts are drawn up. The directors consider Schlumberger Limited to be the ultimate controlling party.

Copies of the financial statements of Schlumberger plc can be obtained from, Victory House, Churchill Court, Manor Royal, Crawley, West Sussex, RH10 9LU, United Kingdom and Schlumberger Limited from 17th Floor San Felipe, Houston, Texas, 77056, U S A.