

Diamould Limited

Registered Number 03797278

Annual Report and Financial Statements

Year Ended 31 December 2016

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COMPANIES HOUSE

Diamould Limited

Directors and advisors

Directors

J A Nicholson
A S Variu
C A Platt (resigned 30 April 2016)
J Purcell (appointed 30 April 2016)

Secretary

Abogado Nominees Limited
A S Variu
G A Karathanos

Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

Principal Banker

Royal Bank of Scotland PLC
250 Bishopsgate
London
EC2M 4AA

Solicitors

Baker & McKenzie LLP
700 Louisiana Street, Suite 3000
Houston TX,
77002-2871

Registered Office

100 New Bridge Street
London
EC4V 6JA

Diamould Limited

Strategic Report for the year ended 31 December 2016

The directors present their Strategic report for the year ended 31 December 2016.

Principal activities and review of the business

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

From January 2016 through to March 2016 the Company continued to operate under the Joint Venture formed between Cameron and Schlumberger. During this period the combined management teams have worked seamlessly together and their combined expertise has benefitted the company through a challenging operating period which has led to a continued healthy operating position within the Subsea Oil and Gas sector.

The success of the Joint Venture and the working relationships that developed were further cemented on 1st April 2016 when Schlumberger Limited and Cameron Corporation International, the company's ultimate parent undertaking, entered into a definitive merger agreement in which the companies merged using a combination of stock and cash.

The company's key financial and other performance indicators during the years were as follows:

	2016	2015	Change
	£'000	£'000	%
Turnover	14,655	26,361	-44%
Profit for the financial year	2,369	7,218	-67%
Total Shareholders' funds	20,932	18,563	13%
Current assets as % of current liabilities ("quick ratio")	435%	425%	2%
Average number of employees (No.)	117	143	-18%

Total turnover decreased due a decline in market activity on the back of the continued reduction in wholesale oil prices. Profit levels for the financial year have decreased, year on year, due to a reduction in turnover and challenges in realigning the cost base with market activity and outlook. Challenges in relation to cost base were offset by significant exchange gains posted in the year as a result of the companies operating costs being settled in GBP and the majority of turnover being booked in USD.

Diamould Limited

Strategic Report for the year ended 31 December 2016 (continued)

Future developments

The Company continues to invest in new technology, which enables sustainable future growth and continues to deliver profitable trading despite the outlook for the global oil and gas market remaining depressed. This is mainly due to weakening Global Gross Domestic Product (GDP) growth and significant structural risks in the European Union. The current decline in oil prices reflects this weakening demand coupled with increasing supply from US Shale and increased output from Iran. Taking these factors into account, the Company and the wider Schlumberger Group is planning for slower growth during the coming year with an increasing focus on cost reduction to drive profitability. New technological development is anticipated to continue at slightly reduced rates than in previous years but at a level that will ensure the company is well positioned for when the market improves.

The Company has made steps to realign its cost base in line with the depressed oil and gas market and as a result, the company undertook a reduction in force exercise in August 2016 which saw 16 members of staff made redundant. The directors and management team believe that the company is well placed to continue to develop in a challenging market.

Principal risks and uncertainties

The principal risks and uncertainties of the Company are integrated with the principal risks of the OneSubsea Segment and significant commercial and operating risks are not managed separately. Accordingly, the principal risks and uncertainties of the OneSubsea Segment, which include those of the Company, are discussed in the Directors' report disclosed in the financial statements of OneSubsea UK Limited (400176), which does not form part of this report.

Management assess the internal controls at the end of each year and also as an integral part of the internal audit on an on-going basis. Policies and procedures are also in force and serve to formalise the support for required controls and the execution of on-going work practices. The Company considers health and safety as a number one priority and Group and local health forums have been established whose goals are to eliminate work related injuries, comply with regulatory requirements and improve performance. It reviews performance in these areas, collects data, shares best practices and plans for the future. This ensures consistency in performance measurement and improvement activities. Forum members also conduct safety audits to identify practices that are working well and areas for improvement. Their reporting is used to track completion of corrective actions.

Financial risk management

The Company's operations expose it to a variety of financial risks that includes foreign exchange risk, interest rate risk and credit risk. The company had significant exchange gains in the year due to material weakening of GBP against USD. Administrative income in the year was £1,805,000, driven exclusively by foreign exchange gains. Excluding foreign exchange gains and losses, administrative expenses were £1,814,000 (2015; £2,096,000). Administrative expenses are down on prior year due to a reduction in support staff across the business in line with earlier mentioned steps to realign cost base to oil and gas market outlook.

The financial statements on pages 10 to 26 were approved by the Board of Directors on 28 September 2017 and signed on its behalf by J A Nicholson.



J A Nicholson
Director
28 September 2017

Diamould Limited

Directors' Report for the year ended 31 December 2016

The directors present their report and audited financial statements for the year ended 31 December 2016.

Future developments

An indication of the likely future developments of the business is included in the Strategic Report on page 2.

Directors

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

J A Nicholson

J Purcell (Appointed 30 April 2016)

A S Variu

Results and dividends

The Company's profit is £2,369,000 for the year ended 31 December 2016 (2015: £7,218,000). The directors do not recommend the payment of a dividend (2015: £nil).

Financial instruments

The corporate treasury policies are structured to minimise exchange losses and also to ensure efficient use of available cash to support on-going working capital and business development. The company trades in multi-currency contracts worldwide and natural currency offsets minimise exchange exposure. Financial instruments, such as currency forwards, are used for hedging purposes only and to provide greater certainty on future revenues and costs. The company manages its exchange rate risk through matching, as far as possible, foreign currency manufacturing costs against foreign currency income on related contracts

Political contributions and charitable donations

No political or charitable donations were made during the year (2015: £nil).

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.

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.

Diamould Limited

Directors' Report for the year ended 31 December 2016 (continued)

Going Concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Disclosure of information to auditors

Each of the persons, who are 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.

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;
- 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.

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. The directors 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.

Diamould Limited

Directors' Report for the year ended 31 December 2016 (continued)

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.

The financial statements on pages 10 to 26 were approved by the Board of Directors on 28 September 2017 and signed on its behalf by J A Nicholson.



J A Nicholson
Director

28 September 2017

Diamould Limited

Independent auditors' report to the members of Diamould Limited

Report on the financial statements

Our opinion

In our opinion, Diamould 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 2016 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.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the statement of financial position as at 31 December 2016;
- the income statement and statement of comprehensive income 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Diamould Limited

Independent auditors' report to the members of Diamould Limited (continued)

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

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.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of the Directors' Responsibilities in respect of the financial statements set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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.

Diamould Limited

Independent auditors' report to the members of Diamould Limited (continued)

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. With respect to the Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.



Edward Moss (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
28 September 2017

Diamould Limited

Income statement for the year ended 31 December 2016

		2016	2015
	Note	£'000	£'000
Turnover	2	14,655	26,361
Cost of sales		(11,979)	(17,636)
Gross profit		2,676	8,725
Operating expenses	4	(47)	(2,093)
Operating profit	5	2,629	6,632
Interest receivable and similar income	6	-	8
Interest payable and similar expenses	7	-	(3)
Profit on ordinary activities before taxation		2,629	6,637
Tax (charge)/credit on profit on ordinary activities	9	(260)	581
Profit for the financial year		2,369	7,218

There is no difference between the profit before taxation and the profit for the financial year stated above and their historical cost equivalents (2015: same).

The notes on pages 13 to 26 form part of these financial statements.

Statement of comprehensive Income for the year ended 31 December 2016

	2016	2015
	£'000	£'000
Profit for the financial year	2,369	7,218
Total comprehensive income for the financial year	2,369	7,218

Diamould Limited

Statement of financial position as at 31 December 2016

		2016	2015
	Note	£'000	£'000
Fixed assets			
Intangible assets	10	-	-
Tangible assets	11	1,668	2,072
		1,668	2,072
Current assets			
Stocks	12	4,274	4,698
Debtors	13	21,633	14,106
Cash at bank and in hand		55	2,649
		25,962	21,453
Creditors: Amounts falling due within one year	14	(6,698)	(4,962)
Net current assets		19,264	16,491
Net assets		20,932	18,563
Capital and reserves			
Called up share capital	16	8,010	8,010
Share premium account		1,966	1,966
Profit and loss account		10,956	8,587
Total shareholders' funds		20,932	18,563

The notes on pages 13 to 26 form part of these financial statements.

These financial statements on pages 10 to 26 were approved and authorised by the board of directors, and were signed on its behalf by:



J A Nicholson
Director
Diamould Limited
28th September 2017

Registered Number: 03797278

Diamould Limited

Statement of changes in equity for the year ended 31 December 2016

	Called up Share capital	Share Premium account	Profit and, loss account	Total shareholders' funds
	£'000	£'000	£'000	£'000
At 1 January 2015	8,010	1,966	1,369	11,345
Profit for the financial year	-	-	7,218	7,218
At 31 December 2015 and 1 January 2016	8,010	1,966	8,587	18,563
Profit for the financial year	-	-	2,369	2,369
31 December 2016	8,010	1,966	10,956	20,932

Diamould Limited

Notes to the financial statements for the year ended 31 December 2016

1 Accounting policies

Statement of compliance

Diamould Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is 100 New Bridge Street, London, EC4V 6JA. The nature of the group's operations and its principal activities are set out in the Strategic report on page 2.

The financial statements have been prepared in compliance with FRS102 with reduced disclosures as it applies to the financial statements of the company for the year ended 31 December 2016.

Basis of preparation

The financial statements are prepared in sterling (£) which is the functional currency of the company and rounded to the nearest £'000.

The financial statements have been prepared on a going concern basis.

The following disclosure exemptions have been adopted:

- The requirement to present a statement of cash flows and related notes.
- The requirements relating to certain disclosures in respect of related party transactions.
- The requirements relating to certain disclosures in respect of key management personnel.

The financial statements are prepared under the historical cost convention, and in accordance with applicable accounting standards.

Critical accounting judgements and estimates

Stock

Stock is reviewed annually, as part of the budgeted cost roll; this is based on the average purchase price and any manufacturing costs are updated in accordance with market conditions.

Slow moving stock is provided at 71% for anything older than 3 year, 39% for anything between 1-2 years, and 16% for anything between 1-2 years. Nothing is provided for the first year. These percentages take into account the cyclical nature of the industry and will be rebased every year upon assessment of market conditions.

Diamould Limited

Notes to the financial statements for the year ended 31 December 2016 (continued)

1 Accounting policies (continued)

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.

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the financial statements date. This is normally measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

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 income statement 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 selling price less cost to sell. Cost comprises manufacturing labour and materials, together with an appropriate share of overhead expenses.

Diamould Limited

Notes to the financial statements for the year ended 31 December 2016 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life, as follows:

Freehold buildings	20 – 50 years
Plant and machinery	4 – 12 years
Fixtures and fittings	3 – 10 years
Computer equipment and software	1 – 5 years

The carrying values of fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

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.

Diamould Limited

Notes to the financial statements for the year ended 31 December 2016 (continued)

1 Accounting policies (continued)

Foreign currencies

Income statement 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 income statement.

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:

	2016	2015
	£'000	£'000
United Kingdom	1,905	4,438
Rest of Europe	4,683	10,061
Americas	3,437	6,120
Africa/Asia/Australia	4,606	5,665
Russian Federation	24	77
Total Turnover	14,655	26,361

The analysis of sales by sales type is as follows:

	2016	2015
	£'000	£'000
Sales of goods	12,225	23,181
Rendering of services	2,430	3,180
Total Turnover	14,655	26,361

Diamould Limited

Notes to the financial statements for the year ended 31 December 2016 (continued)

3 Staff numbers and costs

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

	2016	2015
	Number	Number
Direct labour	30	36
Selling, marketing and distribution	6	6
Administration	81	101
Total staff numbers	117	143

The aggregate payroll costs were as follows:

	2016	2015
	£'000	£'000
Wages and salaries (including bonuses)	4,955	7,155
Social security costs	643	751
Other pension costs (note 17)	483	575
Total staff costs	6,081	8,481

4 Operating (income)/expenses

	2016	2015
	£'000	£'000
Administrative (income)/expenses	1,814	2,096
Selling, marketing and distribution costs	38	11
Other income (including exchange gain/loss)	(1,805)	(14)
Total net operating (income)/expenses	47	2,093

Factors affecting operating income and expenses.

The company had significant exchange gains in the year due to material weakening of GBP against USD. Additionally, administrative expenses are down on prior year due to a reduction in support staff across the business in line with steps to realign cost base to oil and gas market outlook.

Diamould Limited

Notes to the financial statements for the year ended 31 December 2016 (continued)

5 Operating profit

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

	2016	2015
	£'000	£'000
Depreciation of tangible fixed assets (note 11)	339	458
Auditors' remuneration:		
- audit	71	79
Foreign exchange (gain)/loss	(1,805)	121

6 Interest receivable and similar income

	2016	2015
	£'000	£'000
Bank interest	-	8
	-	8

7 Interest payable and similar expenses

	2016	2015
	£'000	£'000
Bank interest	-	3
	-	3

8 Directors' emoluments

Of the three directors in office during the year, one was remunerated by the company (2015: one). The remuneration of the other directors was borne by Cameron and Schlumberger.

The emoluments of the director amounted to £148,940 (aggregate emoluments 2015: £146,795). This included pension contributions of £12,112 (aggregate pension contributions 2015: £12,112).

Of the directors, one (2015: one) is accruing retirement benefits under a Retirement Savings Plan.

Diamould Limited

Notes to the financial statements for the year ended 31 December 2016 (continued)

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

The taxation charge based on the profit for the financial year as adjusted for taxation purposes is analysed as follows:

	2016	2015
	£'000	£'000
Current tax		
UK corporation tax at 20.00% (2015: 20.25%)	93	-
Adjustment in respect of prior periods	-	(504)
Total current tax charge/(credit)	93	(504)
Deferred tax		
Origination and reversal of timing differences	118	(85)
Adjustment in respect of prior periods	29	(71)
Effect of changes in tax rates	19	79
Total deferred tax charge/(credit)	167	(77)
Total tax /(credit) on profit	260	(581)

The tax assessed for the year is lower (2015: lower) than the standard rate of corporation tax in the UK of 20.00% (2015: 20.25%). The differences are explained below:

	2016	2015
	£'000	£'000
Profit on ordinary activities before taxation	2,629	6,637
Profit before taxation multiplied by effective standard rate of 20.00% (2015: 20.25%)	525	1,344
Expenses not deductible for tax purposes	10	14
Effects of group relief	-	-
Adjustment in respect of prior periods	28	(575)
Tax Rate Changes	20	80
Share options	(39)	-
Group relief not paid for	(284)	(1,444)
Total tax charge/(credit) on profit	260	(581)

Diamould Limited

Notes to the financial statements for the year ended 31 December 2016 (continued)

9 Tax charge on profit on ordinary activities (continued)

Factors that may affect future tax charges

Finance Act 2016, which was substantively enacted on the 6th September 2016, includes provisions to reduce the corporation tax to 17% with effect from 1st of April 2020. Accordingly, these rates have been applied when calculating deferred tax assets and liabilities as at the 31 December 2016.

10 Intangible assets

	2016 £'000	2015 £'000
Cost		
At 1 January and 31 December	13	13
Accumulated amortisation		
At 1 January and 31 December	13	13
Net book value as at 31 December 2015 and 2016	-	-

Diamould Limited

Notes to the financial statements for the year ended 31 December 2016 (continued)

11 Tangible assets

	Leasehold property	Plant and machinery	Fixtures, fittings, tools & equipment	Computer equipment & software	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 January 2016	1,998	3,409	1,164	35	6,606
Assets under Construction	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	(45)	(65)	-	-	(110)
At 31 December 2016	1,953	3,344	1,164	35	6,496
Accumulated depreciation					
At 1 January 2016	(900)	(2,595)	(1,004)	(35)	(4,534)
Charge for the year	(156)	(108)	(75)	-	(339)
Disposals	45	-	-	-	45
At 31 December 2016	(1,011)	(2,703)	(1,079)	(35)	(4,828)
Net book value at 31 December 2016	942	641	85	nil	1,668
Net book value at 31 December 2015	1,098	814	160	nil	2,072

Depreciation Policy

Leasehold buildings	50 years or the life of the lease if shorter this remained
Plant and machinery	3-5 years this was revised to 4-12 years
Fixtures, fittings, tools and equipment	2-10 years this was revised to 3-10 years
Motor Vehicles	4 years this remained
Computer equipment & software	3 years this remained
Assets under construction	Not depreciated

Diamould Limited

Notes to the financial statements for the year ended 31 December 2016 (continued)

12 Stocks

	2016	2015
	£'000	£'000
Raw materials	140	140
Work in progress	3,608	3,496
Finished goods	526	1,062
	<u>4,274</u>	<u>4,698</u>

There is no material difference between the balance sheet amount of stock and its replacement value. Inventory recognised as an expense in the year was £8,923,405 (2015 £11,472,217).

13 Debtors

	2016	2015
	£'000	£'000
Trade debtors	2,837	6,807
Amounts owed by group undertakings	18,045	6,521
Deferred taxation (Note 15)	540	707
Prepayments and accrued income	211	71
	<u>21,633</u>	<u>14,106</u>

Trading transactions between the company and other related party undertakings are settled within normal market terms.

14 Creditors: amounts falling due within one year

	2016	2015
	£'000	£'000
Trade creditors	2,723	1,331
Amounts owed to related party undertakings	1,024	1,072
Taxation and social security	890	720
Accruals and deferred income	2,061	1,839
	<u>6,698</u>	<u>4,962</u>

Amounts owed to related parties and group undertakings are unsecured, interest free and repayable on demand.

Diamould Limited

Notes to the financial statements for the year ended 31 December 2016 (continued)

15 Deferred taxation

	2016	2015
	£'000	£'000
Asset as at 1 January	707	630
Profit and loss account credit in current year	(138)	6
Prior year adjustment	(29)	71
Asset at 31 December	540	707

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

	2016	2015
	£'000	£'000
Accelerated capital allowances	540	664
Short term timing differences	-	43
Balance at 31 December - Asset	540	707

16 Called up share capital

	2016	2015
	£'000	£'000
Authorised		
9,998,000 (2015: 9,998,000) ordinary A shares of £1 each	9,998	9,998
2,000 (2015: 2,000) ordinary B shares of £1 each	2	2
Total authorised	10,000	10,000

	2016	2015
	£'000	£'000
Allotted and fully paid		
8,009,184 (2015: 8,009,184) ordinary A shares of £1 each	8,009	8,009
528 (2015: 528) ordinary B shares of £1 each	1	1
Total allotted and fully paid	8,010	8,010

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

Diamould Limited

Notes to the financial statements for the year ended 31 December 2016 (continued)

17 Pension commitments

The Company participates in a defined contribution pension scheme, the costs of which are recognised in the income statement in the period in which they become payable. Pension contributions were £483,818 for 2016 (2015: £574,992). At the end of the year, contributions of £nil (2015: £nil) were outstanding.

18 Leasing commitments

At 31 December the company had total payable under operating leases as set out below:

	2016 £'000	2015 £'000
Between two and five years	-	45
Over five years	829	1,000
Total operating commitments	829	1,045

All leasing commitments relate to land and buildings.

The company had no other financial commitments at 31 December 2016 (2015: £nil).

19 Capital Commitments

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

	2016 £'000	2015 £'000
Contracted	-	-

Diamould Limited

Notes to the financial statements for the year ended 31 December 2016 (continued)

20 Related party disclosure

During the year the group entered into transactions, in the ordinary course of business, with other related parties and group undertakings. Transactions entered into, and trading balances outstanding at 31 December 2016, are as follows:

Company Name	Sales to Related Party	Purchases from Related Party	Amounts Owed from Related Party	Amounts Owed to Related party
	£'000	£'000	£'000	£'000
CAMERON IRELAND LTD	36		36	
CAMERON FLOW CONTROL		142		
CAMERON INTERNATIONAL CORPORATION		5		
DOWELL SCHLUMBERGER SAUDI	199		244	
DOWELL SCHLUMBERGER (WESTERN) S.A.			8	
ETUDES ET PRODUCTIONS SLB	275		34	
ONESUBSEA BV		184		
ONESUBSEA DO BRASIL SERVICOS	101		64	
ONESUBSEA GMBH	1	6	316	
ONESUBSEA IP UK LIMITED	40		1,632	
ONESUBSEA LLC	8	154	504	52
ONESUBSEA MALAYSIA SYSTEMS	26		26	
ONESUBSEA PROCESSING AS	30		192	103
ONESUBSEA SYSTEMS LEEDS	29	103	30	571
ONESUBSEA SYSTEMS - RESEARCH CENTRE	19		19	
ONESUBSEA SYSTEMS CELLE	1,656		6	
ONESUBSEA UK LIMITED	31	5,869	403	
ONESUBSEA LUXEMBURG SARL			11,199	
PETROLEUM EQP & SUPPLIES FZE	1,953		365	
PETROLEUM EQUIP & SUPP N.V.	445		55	
REDA PRODUCTION SYSTEMS	31		4	
SCHLUMBERGER AUSTRALIA USD			0	
SCHLUMBERGER CANADA LIMITED			1	
SCHLUMBERGER CHINA OFFSHORE	38		43	
SCHLUMBERGER LOGELCO INC	24		118	
SCHLUMBERGER MIDDLE EAST SA	43		2	
SCHLUMBERGER OILFIELD	297		472	
SCHLUMBERGER OILFIELD UK PLC	790	40	256	
SCHLUMBERGER OILFIELD EQUIP	34		3	

Diamould Limited

Notes to the financial statements for the year ended 31 December 2016 (continued)

20 Related party disclosure (continued)

Company Name	Sales to Related Party	Purchases from Related Party	Amounts Owed From Related Party	Amounts Owed to Related party
	£'000	£'000	£'000	£'000
SCHLUMBERGER OVERSEAS S.A.	3		22	
SCHLUMBERGER SURENCO S.A.			1	
SCHLUMBERGER TECHNOLOGY CORP	1,201		487	
SENSA HIGHWAY LIMITED	16		614	298
SHTR			58	
SLB ASIA SERVICES LTD			49	
SLB OFFSHORE SERVICES LIMITED			37	
SLB RESERVOIR PRODUCTS FZE	1,646		679	
SLB SERVICOS DE PETROLEO LTD			51	
SOUTHERN SCHLUMBERGER SA			15	
Total	8,972	6,503	18,045	1,024

21 Ultimate parent company

The immediate parent undertaking is OneSubsea BV, a company incorporated in the Netherlands. Schlumberger Limited, a company incorporated in Curacao, a country within the Kingdom of the Netherlands, is the parent undertaking of the smallest and largest group of undertakings of which the company is a member and for which group financial statements are prepared. The directors consider Schlumberger Limited to be the ultimate parent company and controlling party.

Copies of the financial statements of Schlumberger Limited can be obtained from 17th Floor, 5599 San Felipe, Houston, Texas, 77056, USA or on the Group's website at www.slb.com.

22 Subsequent events

On the 1st of January 2017, the immediate parent undertaking became Schlumberger Oilfield UK PLC, a company incorporated in the United Kingdom. There was no change to the ultimate parent company.