

Company Registration No. SC077737

**THE RED BARON (OIL TOOLS
RENTAL) LIMITED**

Report and financial statements

31 December 2011



THE RED BARON (OIL TOOLS RENTAL) LIMITED

Report and financial statements 2011

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THE RED BARON (OIL TOOLS RENTAL) LIMITED

Report and financial statements 2011

OFFICERS AND PROFESSIONAL ADVISERS

Directors

R J Bruce
L R Barr
G Johnston

Secretary

P Droy

Registered Office

Wallace Facility
Badentoy Avenue
Portlethen Industrial Estate
Aberdeen
AB12 4YB

Solicitors

Pinsent Masons LLP
13 Queens Road
Aberdeen
AB15 4YL

Independent Auditor

Deloitte LLP
Aberdeen

THE RED BARON (OIL TOOLS RENTAL) LIMITED

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2011.

Principal activity

The company acts as a holding company.

Going concern

As at 31 December 2011 the company has net assets of £5.6 million (2010: £5.6 million), representing investment in subsidiary undertakings. Having considered the company's financial position and its prospects the directors have concluded that the going concern basis of preparation continues to be appropriate. Accordingly the directors continue to apply the going concern basis in preparing the financial statements.

Financial risk management

The company does not have financial assets and liabilities.

Directors

The present membership of the board is set out on page 1. The directors who served during the year and to the date of this report, unless stated otherwise were:

B L Dudman (resigned 15 March 2011)
G D Wilde (resigned 15 March 2011)
M W Paisley (resigned 15 March 2011)
E G Hendry (resigned 1 September 2012)
R J Bruce
L R Barr
G Johnston (appointed 1 September 2012)

E G Hendry resigned as company secretary on 1st September 2012 and subsequently P Droy was appointed.

Auditor

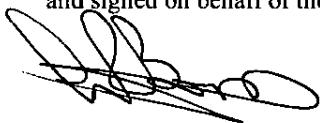
Each of the persons who is a director at the date of approval of this report confirms that:

- So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- The director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

Deloitte LLP have expressed their willingness to continue in office and a resolution concerning their reappointment will be discussed at the annual general meeting.

Approved by the Board of Directors
and signed on behalf of the Board



L R Barr
Director
28 September 2012

THE RED BARON (OIL TOOLS RENTAL) LIMITED

Directors' responsibilities statement

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

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

Independent auditor's report to the members of THE RED BARON (OIL TOOLS RENTAL) LIMITED

We have audited the financial statements of Red Baron (Oil Tools Rental) Limited for the year ended 31 December 2011 which comprise the balance sheet and the related notes 1 to 9. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, 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.

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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 31st December 2011 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.



Graeme Sheils, Senior Statutory Auditor
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Aberdeen, United Kingdom
28 September 2012

THE RED BARON (OIL TOOLS RENTAL) LIMITED

Balance sheet As at 31 December 2011

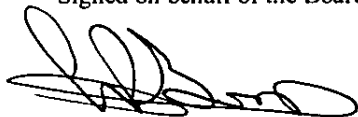
	Note	2011 £'000	2010 £'000
FIXED ASSETS			
Investments	4	<u>5,615</u>	<u>5,615</u>
CURRENT ASSETS			
Debtors	5	<u>1</u>	<u>1</u>
NET CURRENT ASSETS		<u>1</u>	<u>1</u>
NET ASSETS		<u>5,616</u>	<u>5,616</u>
CAPITAL AND RESERVES			
Called up share capital	6	16	16
Share premium account	7	12	12
Capital redemption reserve	7	1	1
Profit and loss account	7	<u>5,587</u>	<u>5,587</u>
SHAREHOLDERS' FUNDS		<u>5,616</u>	<u>5,616</u>

PROFIT AND LOSS ACCOUNT

The company made neither profit nor a loss, nor any other recognised gain or loss in the current or prior year.

These financial statements of The Red Baron (Oil Tools Rental) Limited, company number SC077737, were approved by the Board of Directors on 28 September 2012.

Signed on behalf of the Board of Directors



L R Barr
Director

THE RED BARON (OIL TOOLS RENTAL) LIMITED

Notes to the financial statements Year ended 31 December 2011

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below and have been applied consistently in the current and preceding year.

Basis of consolidation

Under the provisions of section 400 of the Companies Act 2006 and in accordance with paragraphs 21b and 21c of FRS2 "Accounting for subsidiary undertakings", the company is exempt from preparing consolidated financial statements by virtue of the fact that the company is a subsidiary of another company which prepares group accounts which are publicly available (note 9). The financial statements therefore present information about the company as an individual undertaking and not as a group.

Accounting convention

The financial statements are prepared under the historical cost convention.

Going concern

The financial statements are prepared on a going concern basis. This is discussed in the Directors' Report on page 2, under the heading *Going concern*.

Cash flow statement

The company has taken advantage of exemptions within FRS1 "Accounting for subsidiary undertakings" (Revised 1996) "Cash flow statements" and has not prepared a cash flow statement on the grounds that The Red Baron (Oil Tools Rental) Limited is a wholly owned subsidiary of a parent undertaking which produces consolidated financial statements including a consolidated cash flow statement dealing with the cash flows of the group which are publicly available (note 9).

Investments

Fixed asset investments are shown at cost, less amounts written off and any provision for impairment.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The directors are also directors of other group companies who settle their remuneration. It is not considered practical to apportion directors' remuneration to this company on the basis of the level of service and accordingly no allocation has been made. The remuneration paid by other group companies has been disclosed in the financial statements of the companies concerned.

The company had no employees during the current or preceding year.

3. AUDIT FEE

The audit fee for the company is borne by Smith International (North Sea) Limited. In the opinion of the directors £3,500 (2010: £3,500) of the group audit fee related to the company.

THE RED BARON (OIL TOOLS RENTAL) LIMITED

Notes to the financial statements Year ended 31 December 2011

4. INVESTMENTS

				Shares in subsidiary undertakings £'000
Cost and net book value				
At 1 January 2011 and 31 December 2011				<u>5,615</u>
	Country of incorporation	Principal activity	Holding	%
Smith International (North Sea) Limited	England	Oil & Gas	Ordinary shares	100%
The Red Baron (Oil Tools Rental) Norge A/S *	Norway	Non trading	Ordinary shares	100%

* Investments held through Smith International (North Sea) Limited.

On 25 February 2011 Smith International (Investments) Limited, a 100% subsidiary held via Smith International (North Sea) Limited was dissolved.

5. DEBTORS

	2011 £'000	2010 £'000
Amounts owed by group undertakings	<u>1</u>	<u>1</u>

6. CALLED UP SHARE CAPITAL

	2011 £'000	2010 £'000
Allotted, called up and fully paid		
16,105 ordinary shares of £1 each	<u>16</u>	<u>16</u>

7. RESERVES

	Share premium £'000	Capital redemption reserve £'000	Profit and loss £'000
At 1 January 2011 and 31 December 2011	<u>12</u>	<u>1</u>	<u>5,587</u>

THE RED BARON (OIL TOOLS RENTAL) LIMITED

Notes to the financial statements Year ended 31 December 2011

8. RELATED PARTY TRANSACTIONS

The group is exempt from the requirement of FRS8, Related Party Disclosures, to include details of transactions with other group companies which are wholly owned within the group. There are no other related party transactions.

9. ULTIMATE PARENT COMPANY

The immediate parent company is Schlumberger UK Limited, a company registered in the United Kingdom. The ultimate parent company is Schlumberger Limited a company incorporated in Curacao and whose share capital is listed on the NYSE.

The smallest and largest group in which the results of the company are consolidated is that headed by Schlumberger Limited a company incorporated in Curacao. Copies of its group financial statements are available from: Schlumberger Limited, 5599 San Felipe, Houston, Texas 77056 USA.