

FARNBOROUGH SERVICES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
Year ended 31 March 2010



Registered no. 5311343

FARNBOROUGH SERVICES LIMITED

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FARNBOROUGH SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2010

The Directors present their report and the Financial Statements of the Company for the year ended 31 March 2010

Principal Activity

The Company's principal activity during the period was to act as a holding company and it is intended that it will continue to be so for the foreseeable future

Business review - results and dividends

The Company did not trade during the year and therefore reported a £nil profit / (loss) (2009 £nil)
The Directors have not proposed a dividend for the year (2009 £nil)

The net assets of the Company at 31 March 2010 amounted to £105,330,103 (2009 £105,330,103)

Risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of Hogg Robinson Group plc, (the ultimate parent company and together with direct and indirect subsidiaries and associates, the Group), and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company, are discussed in the Hogg Robinson Group plc annual report for the year ended 31 March 2010, which does not form part of this report

Key performance indicators ("KPIs")

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business

Directors

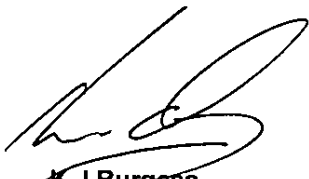
The Directors of the Company who served throughout the year ended 31 March 2010 were as follows

D J C Radcliffe
J A Steadman

Auditors

The Company is entitled to the exemption under Section 480 of the Companies Act 2006 and is consequently exempt from the requirement to have its financial statements audited in respect of the current financial year

By order of the Board



K J Burgess
Company Secretary
Date: 16/12/10

FARNBOROUGH SERVICES LIMITED**BALANCE SHEET AS AT 31 MARCH 2010**

	Notes	2010 £	2009 £
Fixed assets			
Investments in subsidiary companies	5	240,290,847	240,290,847
Total assets		240,290,847	240,290,847
Creditors amounts falling due after one year	6	(134,960,744)	(134,960,744)
Net assets		105,330,103	105,330,103
Capital and reserves attributable to equity holders			
Share capital	7	102	102
Share premium	8	105,290,745	105,290,745
Profit and loss account	9	39,256	39,256
Equity shareholders' funds	10	105,330,103	105,330,103

The Company did not trade during the current or preceding year and accordingly no profit and loss account has been prepared. The Company has not received any income or incurred any expense or recognised any other gains or losses during the current or preceding year.

For the year ended 31 March 2010, the Company was entitled to the exemption from audit under Section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the Company to obtain an audit of its Financial Statements for the year in question in accordance with section 476.

The Directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These Financial Statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The Financial Statements on pages 2 to 5 were approved by the Board of Directors and signed on its behalf by



J A Steadman
Director

Date: 16/12/10

Registered number: 5311343

The notes on pages 3 to 5 form part of these Financial Statements

FARNBOROUGH SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

1 Accounting Policies

These Financial Statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards. The Directors consider that the accounting policies set out below are suitable, have been consistently applied and are supported by reasonable and prudent judgements and estimates. The Company has taken advantage of the exemption provided by section 400 of the United Kingdom Companies Act 2006 from producing Consolidated Financial Statements as it is consolidated within the financial statements of Hogg Robinson Group plc.

Cash flow

The Company is a wholly owned subsidiary of the Hogg Robinson Group plc, and the cash flows of the Company are included in the consolidated cash flow statement of Hogg Robinson Group plc. Consequently, the Company is exempt under the terms of FRS 1 'Cash flow statements' from publishing a cash flow statement.

Related party transactions

The Company is a wholly owned subsidiary of the Hogg Robinson Group plc and under the terms of FRS 8 'Related party transactions', has taken advantage of the exemption not to disclose transactions with other group companies where the group holding is greater than ninety percent of the share capital.

Taxation and deferred taxation

The charge for taxation is based on the profit / (loss) for the period and takes into account deferred taxation. Full provision is made where required by Financial Reporting Standard 19 'Deferred Taxation' (FRS 19) for deferred taxation on all timing differences, which have arisen but have not reversed at the balance sheet date.

Investments in subsidiary companies

Investments in subsidiary companies are stated at cost less any provisions for impairment in value.

Management judgement

In the process of applying the Company's accounting policies, management has made a number of judgements, none of which are considered to have a significant effect on the amounts recognised in the financial statements.

2 Operating expenses

Staff costs

The Company has no employees (2009 nil).

3 Directors' emoluments

No Director received any emoluments from the Company (2009 £nil). The Directors' duties in relation to Farnborough Services Limited are merely incidental to those of the Group as a whole.

The emoluments of Mr D J Radcliffe and Mr J A Steadman are disclosed in the accounts of Hogg Robinson Group plc.

Retirement benefits are accruing to no Directors (2009 nil) under a defined benefit scheme.

FARNBOROUGH SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010 (Continued)

4 Taxation

	2010	2009
	£	£
Current		
UK Corporation tax at 28%	-	-
	<u>-</u>	<u>-</u>

Factors affecting the tax charge were

	2010	2009
	£	£
Factors affecting the tax charge in the period:		
Profit / (loss) on ordinary activities before tax	-	-
	<u>-</u>	<u>-</u>
Profit on ordinary activities multiplied by the standard rate in the UK of 28% (2009 28%)	-	-
Group relief not paid for	869,147	2,267,341
Imputed interest under UK - UK transfer pricing regulations	(867,147)	(2,267,341)
Current tax charge for the period	<u>-</u>	<u>-</u>

5 Investments in subsidiary companies

	2010	2009
	£	£
Cost:		
At 1 April and 31 March	<u>240,290,847</u>	<u>240,290,847</u>

Details of investments in subsidiary companies

Name of company	Principal activity	Country of Incorporation	Class of shares held	Proportion of nominal value of shares held
Hogg Robinson Limited	Holding company	England	Ordinary	100%

The Directors consider that the fair value of investments is not less than the carrying value

6 Creditors: amounts falling due after one year

	2010	2009
	£	£
Due to parent company	69,910,744	69,910,744
Due to subsidiary company	65,050,000	65,050,000
	<u>134,960,744</u>	<u>134,960,744</u>

Amounts owed to group companies are unsecured, interest free and have no fixed date of repayment

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
2010 (Continued)

7 Share capital

	2010 £	2009 £
Authorised (1,000,000 ordinary shares of £1 each)		
At 1 April and 31 March	<u>1,000,000</u>	<u>1,000,000</u>
Issued and fully paid (102 ordinary shares of £1 each)		
At 1 April and 31 March	<u>102</u>	<u>102</u>

8 Share Premium

	2010 £	2009 £
At 1 April and 31 March	<u>105,290,745</u>	<u>105,290,745</u>

9 Profit and loss account

	£
At 1 April 2009 and 31 March 2010	<u>39,256</u>

10 Reconciliation of the movements in equity shareholders' funds

	2010 £	2009 £
Equity shareholders' funds at 1 April and 31 March	<u>105,330,103</u>	<u>105,330,103</u>

11 Contingent liabilities

The Company is one of the subsidiaries of Hogg Robinson Group plc to have provided a guarantee of repayment in respect of the Group's revolving credit facility. The estimated liability of the Group is £153,000,000 at the balance sheet date (2009 £162,549,000).

12 Immediate and ultimate parent undertaking

The immediate parent company is Farnborough Limited.

The ultimate parent company and controlling party is Hogg Robinson Group plc, which is the only company to consolidate Farnborough Services Limited. Copies of the Hogg Robinson Group plc Consolidated Financial Statements can be obtained from the Company Secretary at Hogg Robinson Group plc, Global House, Victoria Street, Basingstoke, Hampshire RG21 3BT.