INTERIM.

Registered number: 2422514

Henderson High Income Trust plc

Unaudited accounts

For the 6 months ended 30 June 2005

(prepared for the purposes of Section 272 of the Companies Act 1985)

Statement of Changes in Equity

For the six months to 30 June 2005

	Ordinary Share Capital	Capital Redemption Reserve	Share Premium	Realised Reserves	Unrealised Reserves	Revenue Reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Net assets at 31 December 2004	2,801	26,302	9,034	13,726	18,134	791	70,788
Net (loss) / gain for the period	-	-	-	(881)	6,018	2,760	7,897
Ordinary dividend paid	-	-	-	-	-	(1,387)	(1,387)
Net assets at 30 June 2005	2,801	26,302	9,034	12,845	24,152	2,164	77,298

Henderson High Income Trust plc
Statement of Total Return
For the six months to 30 June 2005

	Notes	Revenue £'000	Capital £'000	Total £'000
Net capital gains from investments		-	8,115	8,115
Franked investment income		2,690	-	2,690
Unfranked investment income		696	-	696
Gross revenue and capital gains		3,386	8,115	11,501
Other interest receivable and similar income		14	-	14
		3,400	8,115	11,515
Administrative expenses		(328)	(1,121)	(1,449)
Net return on ordinary activities before interest payable and taxation		3,072	6,994	10,066
Interest payable		(170)	(511)	(681)
Net return on ordinary activities before taxation		2,902	6,483	9,385
Taxation	2	(142)	134	(8)
Net return on ordinary activities after taxation		2,760	6,617	9,377
Provision for the redemption of the zero dividend preference shares in the subsidiary		-	(1,480)	(1,480)
Net return attributable to the ordinary shareholders		2,760	5,137	7,897
Dividends - ordinary shares				
First Interim - 2.475p per share		(1,387)	-	(1,387)
Transfer to reserves		1,373	5,137	6,510
Return per ordinary share				14.09p

Henderson High Income Trust plc
Balance Sheet
as at 30 June 2005

	Notes	£,000
Non current assets		
Investments held at fair value	4	141,881
Current assets		
Debtors	5	1,112
Cash and cash equivalents		156
		1,268
Current liabilities	6	(65,851)
		(65,851)
Net current liabilities		(64,583)
Total net assets		77,298
Capital and reserves		
Called up share capital	7	2,801
Share premium account	8	9,034
Capital reserve - realised	8	12,845
Capital redemption reserve	8	26,302
Capital reserve - unrealised	8	24,152
Revenue reserve	8	2,164
Total shareholders' funds		77,298

The unaudited interim accounts were approved by the directors on 27 July 2005 and signed on their behalf by

Director.

NOTES TO THE ACCOUNTS

The accounts cover the period from 1 January 2005 to 30 June 2005

1. Accounting policies

(a) Basis of accounting

The accounts have been prepared under the historical cost convention as modified to include the revaluation of fixed asset investments and in accordance with applicable accounting standards and as per the last annual financial statements, except as follows:

- Investments now held at fair value (previously mid-market)
- Dividends payable are now brought into account in the period in which they are declared

(b) Valuation of investments

Investments held at fair value are valued either at bid or last traded price, depending on the convention of the exchange on which the investment is quoted.

(c) Income

Dividends receivable on equity shares are brought into account on the ex-dividend date. Dividends receivable on equity shares where no dividend date is quoted are brought into account when the Company's right to receive payment is established. The fixed return on a debt security is recognised on a time apportioned basis so as to reflect the effective yield on the debt security.

(d) Expenses and interest payable

All expenses are accounted for on an accruals basis. The Board's expectation is that over the long term three quarters of the Group's investment returns will be in the form of capital gains. The Group charges 75% of its finance costs and management fees (to the extent that the management fees relate to the maintenance or enhancement of the valuation of investments) to capital. All performance fees are charged to capital.

(e) Taxation

The charge for taxation is based on the net revenue for the period. Provision is made for deferred taxation, using the liability method on all material timing differences, to the extent that it is probable that a liability will crystallise. The tax effect of different items of income/gain and expenditure/loss is allocated between capital and revenue on the same basis as the particular item to which it relates, using the Company's effective rate of tax for the accounting period.

(f) Capital reserve

Capital reserve - realised

The following are accounted for in this reserve :

- gains and losses on the realisation of investments;
- realised exchange differences of a capital nature;
- expenses and finance costs, together with the related taxation effect, charged to this reserve in accordance with the above policies;
- realised gains and losses on transactions undertaken to hedge an exposure of a capital nature.

Capital reserve - unrealised

The following are accounted for in this reserve :

- increases and decreases in the valuation of investments held at the period end;
- unrealised exchange differences of a capital nature;
- unrealised gains and losses on transactions undertaken to hedge an exposure of a capital nature.

2. Taxation

	£'000
Overseas withholding tax	8
Tax on expenses charged to capital	134
	142

3. Returns per ordinary share

The return per ordinary share is based on the net gain attributable to the ordinary shares of £7,897,000 and on the 56,028,865 ordinary shares in issue.

4. Fixed asset investments

	£'000
Valuation at 1 January 2005	130,598
Unrealised appreciation at 1 January 2005	(18,134)
Book cost at 1 January 2005	112,464
Acquisitions at cost	18,289
Disposals at cost	(13,024)
Book cost at 30 June 2005	117,729
Unrealised appreciation at 30 June 2005	24,152
Valuation at 31 March 2005	141,881

5. **Debtors**

	£'000
Sales for future settlement	18
Taxation recoverable	14
Prepayments and accrued income	1,080
	1,112

6. **Current liabilities**

	£'000
Purchases for future settlement	-
Dividends declared	1,387
Bank loans and overdraft	24,791
Loan from Henderson High Income Trust Securities plc	26,302
Provision for redemption of the zero dividend preference shares in Henderson High Income Trust Securities plc	12,310
Other accruals	1,061
	65,851

7. **Share capital**

	£'000
Authorised	
940,000,000 (31 December 2004: 940,000,000) ordinary shares of 5p each	47,000
	47,000
Allotted, called up and fully paid :	
56,028,865 (31 December 2004: 56,028,865 ordinary shares 5p each	2,801
	2,801

8. **Statement of Changes in Equity**

	Ordinary *Share Capital*	**Capital** *Redemption* **Reserve**	**Share** *Premium*	**Realised** *Reserves*	**Unrealised** *Reserves*	**Revenue** *Reserve*	**Total**
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Net assets at 31 December 2004	2,801	26,302	9,034	13,726	18,134	791	70,788
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Net assets at 30 June 2005	2,801	26,302	9,034	12,845	24,152	2,164	77,298