

Registered number 2422514

## Henderson High Income Trust plc

Unaudited accounts

For the period from 1 January 2007 to 30 November 2007

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



**Henderson High Income Trust plc**  
**Income Statement**  
For the period from 1 January 2007 to 30 November 2007

	Notes	Revenue return £'000	Capital return £'000	Total £'000
Losses from investments held at fair value through profit or loss		-	(11,085)	(11,085)
Investment income		7,369	-	7,369
Other operating income		48	-	48
<b>Gross revenue and capital losses</b>		<u>7,417</u>	<u>(11,085)</u>	<u>(3,668)</u>
Management and performance fees		(346)	(887)	(1,233)
Other administrative expenses		<u>(386)</u>	<u>-</u>	<u>(386)</u>
<b>Net return/(loss) on ordinary activities before finance costs and taxation</b>		6,685	(11,972)	(5,287)
Finance costs		<u>(424)</u>	<u>(1,271)</u>	<u>(1,695)</u>
<b>Net return/(loss) on ordinary activities before taxation</b>		6,261	(13,243)	(6,982)
Taxation on net return on ordinary activities	2	(290)	278	(12)
<b>Net return/(loss) on ordinary activities after taxation</b>		<u>5,971</u>	<u>(12,965)</u>	<u>(6,994)</u>
<b>Return/(loss) per share</b>	3	<u>7 46p</u>	<u>(16 20)p</u>	<u>(8 74)p</u>

The total column represents the Income Statement of the Company, prepared in accordance with IFRS  
The revenue and capital return columns are supplementary to this and prepared under guidance published by  
the Association of Investment Companies

No operations were acquired or discontinued during the period

**Henderson High Income Trust plc**  
**Reconciliation of Movements in Shareholders' Funds**  
**For the period from 1 January 2007 to 30 November 2007**

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
At 31 December 2006	3,484	28,288	26,302	64,773	3,790	126,637
Net (loss)/return for the period	-	-	-	(12,965)	5,971	(6,994)
Issue of new shares	808	28,760	-	-	-	29,568
Issue costs payable	-	(172)	-	-	-	(172)
Dividends paid	-	-	-	-	(6,268)	(6,268)
At 30 November 2007	<u>4,292</u>	<u>56,876</u>	<u>26,302</u>	<u>51,808</u>	<u>3,493</u>	<u>142,771</u>

**Henderson High Income Trust plc**  
**Balance Sheet**  
**as at 30 November 2007**

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	Notes	£'000
<b>Fixed assets</b>		
Investments held at fair value through profit or loss	4	<u>170,113</u>
<b>Current assets</b>		
Debtors	5	1,623
Cash at bank		<u>924</u>
		2,547
<b>Creditors: amounts falling due within one year</b>	6	<u>(29,889)</u>
<b>Net current liabilities</b>		(27,342)
<b>Total net assets</b>		<u>142,771</u>
<b>Capital and reserves</b>		
Called up share capital		4,292
Share premium account		56,876
Capital redemption reserve		26,302
Other capital reserves		
Realised reserve		22,698
Unrealised reserve		29,110
Revenue reserve		3,493
<b>Equity shareholders' funds</b>		<u>142,771</u>

The unaudited interim accounts were approved by the directors on 18 January 2008 and signed on their behalf by

  
H J Twiss  
Director

# Henderson High Income Trust plc

## NOTES TO THE ACCOUNTS

The accounts cover the period from 1 January 2007 to 30 November 2007

### 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

All of the Company's operations are of a continuing nature

#### (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	Revenue return £'000	Capital return £'000	Total £'000
Overseas withholding tax	-	-	-
Tax on expenses charged to capital	278	(278)	-
Irrecoverable withholding tax	12	-	12
	<u>290</u>	<u>(278)</u>	<u>12</u>

### 3 Return per share

The return per share is based on the net loss attributable to the shares of £6,994,000 and on the 80,034,087 weighted average number of shares in issue during the period

The revenue return per share is based on the net revenue attributable to the shares of £5,971,000 and on the 80,034,087 weighted average number of shares in issue during the period

The capital loss per share is based on the net capital loss attributable to the shares of £12,965,000 and on the 80,034,087 weighted average number of shares in issue during the period

### 4 Investments held at fair value through profit or loss £'000

Valuation at 1 January 2007	155,910
Unrealised appreciation at 1 January 2007	<u>(42,856)</u>
Book cost at 1 January 2007	113,054
Acquisitions at cost	60,393
Disposals at cost	<u>(32,444)</u>
Book cost at 30 November 2007	141,003
Unrealised appreciation at 30 November 2007	<u>29,110</u>
Valuation at 30 November 2007	<u>170,113</u>

### 5 Debtors £'000

Sales for future settlement	-
Taxation recoverable	20
Prepayments and accrued income	<u>1,603</u>
	<u>1,623</u>

### 6 Creditors amounts falling due within one year £'000

Purchases for future settlement	42
Dividends declared	-
Bank loans	29,023
Other accruals	<u>824</u>
	<u>29,889</u>

### 7 Dividends

Dividends paid comprises the third and fourth interim payments for the year ended 31 December 2006 and the first and second interim payments for the year ending 31 December 2007 totalling £6,268,000