Registered number: 07549407

Henderson International Income Trust plc

Interim Accounts (unaudited)

For the period from 1 September 2014 to 28 February 2015

(prepared for the purposes of Section 838 of the Companies Act 2006)

HENDERSON INTERNATIONAL INCOME TRUST PLC

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HENDERSON INTERNATIONAL INCOME TRUST PLC

Statement of Directors' Responsibilities

The directors are responsible for preparing the interim accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare interim accounts for the period which are properly prepared in accordance with section 838 of the Companies Act 2006, or which have been so prepared subject only to matters which are not material for determining, by reference to items mentioned in section 836(1) of the Companies Act 2006, whether the proposed distribution would contravene the relevant section.

In preparing these interim accounts, the directors are required to:

* select suitable accounting policies and then apply them consistently;
* make judgments and accounting estimates that are reasonable and prudent;
* state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed in the accounts;
* prepare the accounts 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 interim accounts comply with the relevant provisions of 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

To the best of our knowledge the interim accounts, prepared in accordance with the relevant provisions of the Companies Act 2006, have been properly prepared.

Christopher Jonas
Chairman
15-Apr-15

HENDERSON INTERNATIONAL INCOME TRUST PLC

Income Statement

For the period from 1 September 2014 to 28 February 2015

	Notes	Revenue return £'000	Capital return £'000	Total £'000
Gains from investments held at fair value through profit or loss		-	7,554	7,554
Income from investments held at fair value through profit or loss		1,643	-	1,643
Other interest receivable and similar income		64	-	64
Gross revenue and capital return		1,707	7,554	9,261
Management fees		(87)	(263)	(350)
Other administrative expenses	3	(167)	-	(167)
Net return on ordinary activities before finance costs and taxation		1,453	7,291	8,744
Finance charges		(12)	(34)	(46)
Net return on ordinary activities before taxation		1,441	7,257	8,698
Taxation on net return on ordinary activities	4	(179)	-	(179)
Net return on ordinary activities after taxation		1,262	7,257	8,519
Return per Ordinary share:				
Basic and diluted	5	1.65p	9.51p	11.16p

The total income is attributable to the equity shareholders. There are no minority interests. The total column of this statement represents the Income Statement of the Company. The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies. All revenue and capital items derive from continuing operations. The Company had no recognised gains or losses other than those disclosed in the Income Statement.

HENDERSON INTERNATIONAL INCOME TRUST PLC

Reconciliation of Movements in Shareholders' Funds

For the period from 1 September 2014 to 28 February 2015

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
At 31 August 2014	764	28,239	45,732	9,168	1,884	85,787
Net return for the period	-	-	-	7,257	1,262	8,519
Dividends paid (note 6)	-	-	-	-	(1,684)	(1,684)
		-				
Ordinary shares issued following conversion of subscription shares	-	3,921	-	-	-	3,921
Ordinary shares issued (note 10)	2	266	-	-	-	268
At 28 February 2015	766	32,426	45,732	16,425	1,462	96,811

HENDERSON INTERNATIONAL INCOME TRUST PLC

Balance Sheet (unaudited)
as at 28 February 2015

	Notes	£'000
Fixed asset investments held at fair value through profit or loss	7	105,166
Current assets		
Cash at Bank		344
Debtors	8	2,908
		3,252
Current Liabilities		
Bank overdraft		(8,804)
Other payables	9	(2,803)
		(11,607)
Net current liabilities		(8,355)
Total net assets		96,811
Capital and reserves		
Called up share capital	10	766
Share premium		32,426
Special reserve		45,732
Other capital reserves		16,425
Revenue reserve		1,462
Equity shareholders' funds		96,811
Net Asset value per Ordinary share:		
Basic and diluted	11	126.39p

The unaudited accounts were approved by the directors on 15 April 2015 and signed on their behalf by:

Christopher Jonas
Chairman
15-Apr-15

NOTES TO THE INTERIM UNAUDITED ACCOUNTS

The interim accounts cover the period ended 28 February 2015

1. Principal activity

The Company is an investment company as defined in s.833 of the Companies Act 2006 and operates as an investment trust in accordance with s.1158 of the Corporation Taxes Act 2010.

2. Accounting policies

(a) Basis of accounting

The interim accounts have been prepared on a going concern basis and under the historical cost basis of accounting, as modified to include the revaluation of investments at fair value. The interim accounts have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice to the extent necessary to prepare the accounts for the purpose of s.838 of the Companies Act 2006 and with the Statement of Recommended Practice ("the SORP") for investment trusts issued by the Association of Investment Companies ("the AIC") in January 2009. All the Company's operations are of a continuing nature.

(b) Fixed asset investments and derivatives held at fair value through profit or loss

All investments are designated upon initial recognition as held at fair value through profit or loss. Assets are de-recognised at the trade date of the disposal. Proceeds are measured at fair value, which is regarded as the proceeds of the sale less any transaction costs. The fair value of the financial instruments is based on their quoted bid price at the balance sheet date, without deduction of the estimated future selling costs.

Derivatives are measured at fair value based on market prices or at valuations based on market prices.

Changes in fair value of investments held at fair value through profit or loss and gains and losses on disposals are recognised in the Income Statement as "Gains or losses from investments held at fair value through profit or loss". Also included within this caption are transaction costs in relation to the purchase and sale of investments, including the difference between the purchase price of an investment and its bid price at the date of purchase.

(c) Capital gains and losses

Profit or losses on disposal of investments and investment holding gains or losses are taken to the capital column in the Income Statement and transferred to other capital reserves.

(d) Income

Dividends receivable (including overseas withholding taxes) from equity shares are taken to revenue return on an ex-dividend basis except where, in the opinion of the Directors, the dividend is capital in nature , in which case it is taken to the capital return.

Option premium income is recognised as revenue over the life of the contract and included in the revenue column of the Income Statement unless the option has been written for the maintenance and enhancement of the Company's investment portfolio and represents an incidental part of a larger capital transaction, in which case any premiums arising are allocated to the capital return of the Income Statement.

(e) *Derivative financial instruments*

Derivative transactions which the Company may enter into comprise of forward exchange contracts (the purpose of which is to hedge foreign currency exposure). The Company may also write options on shares represented in the portfolio where such options are priced attractively relative to the Investment Manager's expectations for the relevant share prices to generate additional return for shareholders. The Company does not use derivative financial instruments for speculative purposes.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the Income Statement as they arise. If capital in nature, the associated change in value is presented as a capital item in the Income Statement.

Where options are written for the purpose of generating revenue, applicable premiums are recognised evenly over the life of the option and shown in the revenue return, with the appropriate amount shown as capital return such that the total return reflects the overall change in the fair value of the option.

(f) Expenses

All expenses and finance charges are accounted for on an accruals basis. On the basis of the Board's expected long-term split of total returns in the form of capital and revenue returns 75% and 25%, respectively, the Company charges 75% of its finance costs and investment management fee to capital. All other administrative expenses are charged to the revenue column of the Income Statement.

(g) Taxation

In line with the recommendations of the SORP, the tax effect of different items of expenditure is allocated between the capital return and the revenue return using the 'marginal basis'. Under this basis, if taxable income is capable of being offset entirely by expenses presented in the revenue column of the Income Statement, then no tax relief is transferred from the capital return.

Deferred taxation is provided on all timing differences that have originated but not been reversed by the balance sheet date, other than those differences regarded as permanent. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Any liability to deferred tax is provided at the average rate of tax expected to apply based on tax rates and laws that have been enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

(h) Going Concern

The Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the interim accounts as the assets of the Company consist almost entirely of securities that are readily realisable and, accordingly that the Company has adequate financial resources to continue in operational existence for the foreseeable future.

(i) Foreign currency

In accordance with FRS23: "The effect of changes in Foreign Exchange Rates" the Company has nominated Sterling as the functional currency, being the currency in which the Company predominantly operates. The Board, having regard to the currency of the Company's share capital and predominant currency in which its shareholders operate, has determined the functional currency to be Sterling.

Transactions denominated in foreign currencies are converted at actual exchange rates as at the date of the transaction. Monetary assets and liabilities and equity investments held at fair value through profit or loss denominated in foreign currencies at the period end are translated at the rates of exchange prevailing at the period end. Any gain or loss from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the revenue return or capital return, depending on whether the gain or loss is of a revenue or capital nature.

3. Other administrative expenses

	Revenue return £'000	Capital return £'000	Total £'000
Audit fees	13	-	13
Directors' fees	50	-	50
Marketing	16	-	16
Other expenses	88	-	88
	167	-	167

4. Taxation

	Revenue return £'000	Capital return £'000	Total £'000
Irrecoverable overseas withholding tax	179	-	179

The Company has no liability to UK Corporation Tax due to the fact that its income consists mainly of dividends which are not taxable in the UK.

5. Return per share

The total return per share is based on the net return attributable to the ordinary shares of £8,519,000 and on 76,334,624 ordinary shares, being the weighted average number in issue during the period.

The total return can be further analysed as follows:

	£'000
Revenue return	1,262
Capital return	7,257
Total	8,519

Basic and diluted return per share

Weighted average number of shares	76,334,624
Revenue return per ordinary share	1.65p
Capital return per ordinary share	9.51p
Total return per share	11.16p

There are no dilutive securities at 28 February 2015.

6. Dividends on Ordinary shares for the period ended 28 February 2015

	£'000
4th interim dividend of 1.10p for the year ended 31 August 2014	841
1st interim dividend of 1.10p for the year ended 31 August 2015	843
	1,684
Revenue reserves brought forward	1,884
4th interim dividend of 1.10p for the year ended 31 August 2014	(841)
Revenue reserve after payment of 4th interim dividend for the year ended 31 August 2014	1,043
Revenue available for distribution by way of dividend for the period	1,262
1st interim dividend of 1.10p for the year ended 31 August 2015	(843)
Revenue available for distribution	1,462

The board proposes to pay a second interim dividend of 1.10p per share, equivalent to £847,000, payable on 29 May 2015 to shareholders registered at the close of business on 8 May 2015.

7. Fixed Asset Investments held at fair value through profit or loss

	£'000
Valuation at 31 August 2014	88,126
Investment holding gains	(8,677)
Book cost at 31 August 2014	79,449
Purchases at cost	25,862
Sales at cost	(15,477)
Book cost of investments at 28 February 2015	89,834
Investment holding gains	15,332
Valuation at 28 February 2015	105,166

8. Debtors

	£'000
Sales for future settlement	2,515
Taxation recoverable	62
Prepayments and accrued income	331
	2,908

9. Creditors: amounts falling due within one year

	£'000
Loss on foreign exchange contract	6
Purchases for future settlement	2,271
Derivative instruments: written call options	93
Other accruals	433
	2,803

10. Equity share capital

	Number of **shares**	**£'000**
Ordinary shares of 1p each		
At 31 August 2014	72,450,588	725
Issue of ordinary shares	225,000	2
Shares issued from conversion of subscription shares	3,920,962	39
At 28 February 2015	76,596,550	766

During the period, the Company issued 225,000 ordinary shares for a total a total consideration of £268,000 after deduction of issue costs.

The remaining 3,920,962 subscription shares were exercised for a total consideration of £3,921,000 by Equiniti Financial Service Limited on the behalf of the company on 4 September 2014.

11. Net asset value per ordinary share

Basic and diluted:

The basic and diluted net asset value per ordinary share of 126.39p is calculated on the net assets attributable to ordinary shares of £96,811,000 and on 76,596,550 ordinary shares in issue.
There are no dilutive securities as at 28 February 2015.