HOLBEIN TRUSTEES LIMITED

REPORT AND UNAUDITED FINANCIAL STATEMENTS

31 AUGUST 2004



HOLBEIN TRUSTEES LIMITED

31 AUGUST 2004

COMPANY INFORMATION

DIRECTORS

I Houghton

C A White

SECRETARY

I Houghton

REGISTERED OFFICE

Greenbridge Road
Swindon
Wiltshire
SN3 3RX

COMPANY NUMBER

2654521 (England and Wales)

HOLBEIN TRUSTEES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2004

The Directors present their annual report and the unaudited financial statements for the year ended 31 August 2004.

PARENT COMPANY

The Company is a wholly owned subsidiary of WH Smith (Holdings) Limited, its ultimate parent company being WH Smith PLC.

REVIEW OF DEVELOPMENTS

The Company has been dormant within the meaning of Section 249AA of the Companies Act 1985 throughout the year. It is anticipated that the Company will remain dormant for the foreseeable future.

PROFIT AND LOSS ACCOUNT

No profit and loss account is presented with these financial statements because the Company has not received income, incurred expenditure or recognised any gains or losses during either the accounting year under review or the preceding accounting year. There have been no movements in shareholders funds during the accounting year under review or the preceding accounting year.

DIRECTORS

The names of the present Directors are shown on page 1. The following changes took place in the composition of the Board of Directors between 31 August 2003 and the date of this report:

J M Taylor	(resigned 4 November 2003)
C A White	(appointed 4 November 2003)

DIRECTORS' SHARE INTERESTS

The directors of this company at 31 August 2004 had the following beneficial interests in the Ordinary Shares of WH Smith PLC at 31 August 2004 and at 31 August 2003:

Shareholdings

	31 August 2004	31 August 2003 (or date of appointment)
C A White	22	22
I Houghton	3,301	3,301

DIRECTORS' REPORT (continued)

DIRECTORS' SHARE INTERESTS (continued)

Share Options

	31 August 2004	Granted in the year	Lapsed in the year	Exercised in the year	31 August 2003 (or date of appointment)
I Houghton	134,278	nil	nil	nil	134,278
C A White	49,788	15,331	(1,472)	nil	35,929

ELECTIVE RESOLUTIONS

At an Extraordinary General Meeting of the company held on 27 May 1994, Elective Resolutions were passed dispensing with:

(i) the laying of accounts and reports before the company in general meeting;

(ii) the holding of Annual General Meetings; and

(iii) the obligation to appoint auditors annually.

This report was approved by the Board of Directors on 6 May 2005.

By Order of the Board

I Houghton
Company Secretary

HOLBEIN TRUSTEES LIMITED

BALANCE SHEET AS AT 31 AUGUST 2004

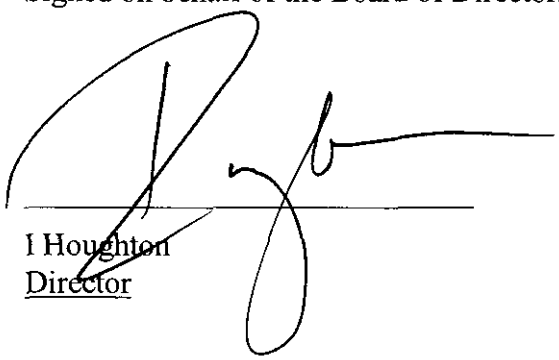
	Note	2004 £	2003 £
CURRENT ASSETS			
Debtors	3	665	665
Cash		276	276
		941	941
CAPITAL AND RESERVES			
Called up equity share capital	4	2	2
Profit and loss account		939	939
EQUITY SHAREHOLDERS' FUNDS		941	941

The annual accounts have not been audited because the Company is entitled to the exemption provided by section 249AA(1) of the Companies Act 1985 relating to dormant companies and its members have not required the Company to obtain an audit of these accounts in accordance with section 249B(2).

The directors acknowledge their responsibility for ensuring that the Company keeps accounting records that comply with section 221 of the Companies Act 1985. The directors also acknowledge their responsibility for preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with section 226 of the Companies Act 1985 and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the Company.

These financial statements were approved by the Board of Directors on 6 May 2005.

Signed on behalf of the Board of Directors



I Houghton
Director

HOLBEIN TRUSTEES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2004

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdon law and accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

2. PROFIT AND LOSS ACCOUNT

No profit and loss account is presented with these financial statements because the Company has not received income, incurred expenditure or recognised any gains or losses during the accounting year under review or the preceding accounting year. There have been no movements in shareholders' funds during the accounting year under review or the preceding accounting year.

The Company had no employees and no emoluments were payable to the Directors of the Company during the current year and preceding year.

3. DEBTORS

	2004 £	2003 £
Amount owed by Group undertakings	665	665

The amount owed by Group undertakings represents a loan, which is interest free and has no fixed date of repayment.

4. CALLED UP EQUITY SHARE CAPITAL

	2004 £	2003 £
Authorised		
100 ordinary shares of £1 each	100	100
Allotted and fully paid		
2 ordinary shares of £1 each	2	2

5. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption granted by paragraph 3(c) of FRS8, Related Party Disclosures, not to disclose transactions with WH Smith group companies and interests of the group which are related parties.

6. ULTIMATE PARENT COMPANY

The ultimate parent and controlling company is WH Smith PLC, a company registered in England and Wales.

Copies of the Group financial statements are available from:

The Company Secretary
WH Smith PLC
Greenbridge Road
Swindon
Wiltshire
SN3 3RX