

Company Registration No. 6560371

WH Smith High Street Holdings Limited

Annual Report and Unaudited Financial Statements

31 August 2021

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WH Smith High Street Holdings Limited

Annual report and unaudited financial statements 31 August 2021

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WH Smith High Street Holdings Limited

Annual report and unaudited financial statements 2021

Officers and professional advisers

Directors

R J Moorhead
I Houghton
C Cowling

Company Secretary

I Houghton

Registered Office

Greenbridge Road
Swindon
Wiltshire
England
SN3 3RX

WH Smith High Street Holdings Limited

Directors' report

The directors present their annual report and the unaudited financial statements for the year ended 31 August 2021.

Directors

The names of the present directors of the Company and who served throughout the year and up to the date of signing are shown on page 1.

Directors' indemnities

The Company has qualifying third party indemnity provisions for the benefit of its directors which remained in force throughout the year and at the date of this report.

Results and dividends

The unaudited financial statements for the year ended 31 August 2021 are set out on pages 6 to 15. The financial statements have been prepared under Financial Reporting Standard 101 ("FRS 101").

As shown in the Statement of profit or loss and other comprehensive income on page 6, the Company's loss for the financial year ended 31 August 2021 was £1,829,000 (2020: loss of £2,748,000).

During the prior year the Company paid dividends of £nil to its parent, WH Smith Retail Holdings Limited, and received dividends of £nil from subsidiary undertakings. No ordinary dividends were paid or received during the year ended 31 August 2021.

Future developments

Details on future developments of the Company are given in the Strategic report on pages 3 to 5.

Going concern and financial risk management

Disclosures in respect of financial risk management are given in the Strategic report on pages 4 and 5. Disclosures in respect of going concern are given in the Strategic report on page 5 and Note 1 to the financial statements.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors 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 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 financial statements comply with the Companies Act 2006.

This report was approved by the Board of Directors on 25 February 2022.

On behalf of the Board



Robert J Moorhead
Director

WH Smith High Street Holdings Limited

Strategic report

The Strategic report is prepared in accordance with s414(c) of the Companies Act 2006.

Principal activities and key performance indicators

The Company principally acts as a holding company for a group of trading and non-trading companies.

As shown in the Company's Statement of profit or loss and other comprehensive income on page 6, the Company's loss for the financial year ended 31 August 2021 was £1,829,000 (2020: loss of £2,748,000).

The balance sheet on page 7 of the financial statements shows that the Company's net asset position is £101,604,000 (2020: £103,433,000), a decrease of £1,829,000, reflecting the loss for the year. Details of the amounts owed by and to other group undertakings are shown in Notes 7 and 8 on page 14.

The Company's directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the Group, of which this Company is a part, is discussed in the WH Smith PLC Annual Report and Accounts 2021, which does not form part of this Report.

Business review

As WH Smith High Street Holdings Limited is a holding company for the High Street segment of the WH Smith Group business, therefore its investments and receivables are exposed to the trading performance of those entities.

Throughout the year, the trading environment remained impacted by Covid-19 with extensive restrictions in place. Management focused on initiatives within its control that have supported the Group in the immediate term and put the Group in a good position to emerge operationally stronger as our markets continue to recover.

These key areas of focus are as follows:

- Securing the Group's financial position through the new banking arrangements and convertible bond issuance announced in April 2021. This gives us a strong balance sheet, extends maturity dates to 2025 and increases the revolving credit facility to £250m.
- Driving average transaction value. Extending categories and ranges to reflect the specific needs of customers in each location where the Group operates.
- Working with landlords and building on the Group's strong relationships to create opportunities for winning new business, extending key contracts and improving the quality and location of the space where we operate.
- Building the Group's internet proposition by extending ranges, investing in the Group's websites, marketing, fulfilment and distribution and building customer engagement through social media.
- Forensic focus on costs and cash, minimising discretionary spend and managing cash burn.

Principal risks and uncertainties

The WH Smith PLC group manages its operations, including WH Smith High Street Holdings Limited on a divisional basis and has identified the following factors as the principal risks to the successful performance of the business of WH Smith High Street Holdings Limited.

- Economic, political, competitive and market risks
- Brand and reputation
- Key suppliers and supply chain management
- Store portfolio
- Business interruption
- Reliance on key personnel
- Treasury, financial and credit risk management
- Cyber risk and data security
- Environment and sustainability

Further risks and uncertainties facing the Group as a whole, to which WH Smith High Street Holdings Limited is indirectly exposed as a subsidiary company of the WH Smith PLC Group, are as follows:

- International expansion

WH Smith High Street Holdings Limited

Strategic Report (continued)

Principal risks and uncertainties (continued)

Covid-19 is the most significant pre-eminent risk currently facing the Group, and the Company, impacting all aspects of the business; our customers, colleagues, supply chain and offices, and across all of the markets in which we operate. Areas of uncertainty include: the extent and timing of lifting of international and local travel restrictions and hence the reopening of our stores; the speed and extent of recovery in the travel industry more widely and the resulting impact on passenger numbers and sales; and the speed and confidence of customers in restoring previous shopping habits across all of the channels in which we operate. To the extent that the pandemic may have a longer and more prolonged impact on global economic conditions, this may have a further negative impact on consumer spending, customer footfall and sales, the efficient working of our supply chain, and therefore create further potential disruption to all of our areas of operation. During the course of the pandemic, the safety of our customers and colleagues has been at the forefront of our response and has shaped all of the measures we have taken across the business.

Group risks including risk management are discussed in further detail within the Principal risks and uncertainties section of the Strategic report in the Group's Annual Report and Accounts 2021 which does not form part of this report, a copy of which is available on the Group's website at www.whsmithplc.co.uk.

All principal business functions compile risk registers and summary risk maps to identify key risks, assess them in terms of their likelihood and potential impact, and determine appropriate control strategies to mitigate the impact of these risks, taking account of risk appetite. The ongoing monitoring of this framework is overseen by the respective Business Risk Committees and the Group Audit Committee.

During the year, the Group Board reviewed the effectiveness of the Group's risk management and internal controls systems. This review included the discussion and review of the risk registers and the internal controls across all business functions, as part of an annual exercise facilitated by the Internal Audit team. During the year, the Group Board also received presentations from management on specific risk areas such as the impact and actions taken in relation to Covid-19, cyber risk, international expansion, the ongoing risk monitoring processes and appropriate mitigating controls.

Financial Risk Management

The Company's operations expose it to a variety of financial risks. The Company is subject to the WH Smith Group policies to ensure proper monitoring and control of financial risk. The policies are set by the Group and are implemented by the Company's finance department.

The Group's treasury function seeks to reduce exposures to interest rate and other financial risks, and to ensure liquidity is available to meet the foreseeable needs of the Group and to invest cash assets safely and profitably. The Group does not engage in speculative trading in financial instruments and transacts only in relation to underlying business requirements. The Group's treasury policies and procedures are periodically reviewed and approved by the Group's Audit Committee and are subject to regular Group Internal Audit review.

Further information on the Group's financial risk management policies and procedures are given in the WH Smith PLC Annual Report and Accounts 2021, which does not form part of this report.

Liquidity risk

The Company manages its exposure to liquidity risk by reviewing the cash resources required to meet its business objectives through both short and long-term cash flow forecasts.

The Group has a policy of pooling cash flows in order to optimise the return on surplus cash and also to utilise cash within the Group to reduce the costs of external short-term funding.

Credit risk

Credit risk is the risk that a counterparty may default on their obligation to the Company in relation to lending and other financial activities. The Company's principal financial assets are trade and other receivables and bank balances and cash.

The Company has credit risk attributable to its trade and other receivables including a number of sale or return contracts with suppliers. The amounts included in the balance sheet are net of allowances for doubtful receivables. The Company has low retail credit risk due to the transactions being principally of a high volume, low value and short maturity.

WH Smith High Street Holdings Limited

Strategic Report (continued)

Financial Risk Management (continued)

Credit risk (continued)

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk. The Company does not hold collateral over any of these financial assets.

Going concern

The directors are required to assess whether the Company can continue to operate for the 12 months from the date of approval of these financial statements, and to prepare the financial statements on a going concern basis.

The directors report that they have undertaken a rigorous assessment of current performance and cash flow forecasts, including expenditure commitments, capital expenditure and borrowing facilities. The Company has made a loss in the current year. The Company is in receipt of a letter of support from its ultimate parent company, WH Smith PLC, to provide financial support for a period of no less than 12 months from the signing date of these 2021 financial statements. Based on this assessment the directors have concluded that the Company is able to adequately manage its financing and principal risks, and that the Company will be able to operate within the level of the Group's facilities and meet the required covenants for the period to February 2023.

The Strategic report describes the Company's financial position, cash flows and borrowing facilities and also highlights the principal risks and uncertainties facing the Company. The WH Smith PLC Annual Report and Accounts 2021, which does not form part of this report, includes further information regarding the Group's financial position, cash flows and borrowing facilities, as well as its policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk. The Strategic report of the WH Smith PLC Annual Report and Accounts 2021 also highlights the main risks and uncertainties facing the Group, a copy of which is available on the Group's website at www.whsmithplc.co.uk.

In making the Group's going concern assessment, the directors have modelled a number of scenarios for the period to February 2023. The base case scenario is consistent with the Board approved 2022 Budget and the three year plan. Under this scenario the Group has significant liquidity and comfortably complies with all covenant tests to February 2023.

A severe but plausible scenario has also been modelled which assumes a further three-month lockdown over the period December 2021 to February 2022 across the Group, followed by a recovery which reflects the profile observed in the year ended 31 August 2021. The severe but plausible scenario does not assume any further government financial support despite the continuation of lockdowns. However, the severe but plausible scenario includes a number of mitigating actions including savings in store and head office payrolls and rent relief in Travel UK, to mitigate the impact of lockdown with lower sales.

In both the base case and severe but plausible scenarios the Group would continue to have sufficient liquidity headroom on its existing facilities, as described above. The covenants on the above facilities are tested half-yearly. The covenant tests at 31 August 2021, 28 February 2022 and 31 August 2022 are based on minimum liquidity and under the base case and severe but plausible scenarios the Group would meet these covenant tests. The covenant test as at 28 February 2023 is based on fixed charges cover and net borrowings. Under both the base case and the severe but plausible scenarios, the Group would meet these covenant tests. In addition, we have received excellent support from our banks who have granted covenant waivers throughout the pandemic.

As a result of the above analysis, the directors believe that the Company has sufficient financial resources to continue in operation and meet its obligations as they fall due for the 12 months from the date of approval of these financial statements. No changes in the Company's principle activities are foreseen.

This report was approved by the Board on 25 February 2022.

On behalf of the Board



Robert J Moorhead
Director

WH Smith High Street Holdings Limited

Statement of profit or loss and other comprehensive income Year ended 31 August 2021

	Note	2021 £'000	2020 £'000
Operating result	3	-	-
Income from shares in group undertakings		-	-
Interest payable and similar expenses	4	(2,258)	(3,393)
Loss before taxation		(2,258)	(3,393)
Tax on loss	5	429	645
Loss for the financial year		(1,829)	(2,748)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		(1,829)	(2,748)

The results are derived from continuing operations.

WH Smith High Street Holdings Limited

Balance sheet As at 31 August 2021

	Note	2021 £'000	2020 £'000
Non-current assets			
Investments	6	308,000	308,000
Current assets			
Trade and other receivables: amounts falling due within one year	7	91,308	91,308
Current liabilities			
Trade and other payables: amounts falling due within one year	8	(297,704)	(295,875)
Net current liabilities		<u>(206,396)</u>	<u>(204,567)</u>
Totals assets less current liabilities		<u>101,604</u>	<u>103,433</u>
Net assets		<u>101,604</u>	<u>103,433</u>
Equity			
Called up share capital	9	100,000	100,000
Retained earnings		1,604	3,433
Total shareholders' funds		<u>101,604</u>	<u>103,433</u>

The notes on pages 9 to 15 are an integral part of these financial statements.

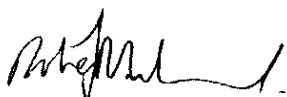
For the year ending 31 August 2021 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements of WH Smith High Street Holdings Limited, registered number 6560371, on pages 6 to 15 were approved by the Board of Directors and authorised for issue on 25 February 2022.

Signed on behalf of the Board of Directors



Robert J Moorhead
Director

WH Smith High Street Holdings Limited

Statement of changes in equity For the year ended 31 August 2021

	Called up share capital £'000	Retained earnings £'000	Total shareholders' funds £'000
Balance as at 1 September 2019	100,000	6,181	106,181
Loss for the financial year	-	(2,748)	(2,748)
Other comprehensive loss for the year	-	-	-
Total comprehensive loss for the year	-	(2,748)	(2,748)
Dividends (Note 9)	-	-	-
Balance as at 31 August 2020	100,000	3,433	103,433
Balance as at 1 September 2020	100,000	3,433	103,433
Loss for the financial year	-	(1,829)	(1,829)
Other comprehensive loss for the year	-	-	-
Total comprehensive loss for the year	-	(1,829)	(1,829)
Dividends	-	-	-
Balance as at 31 August 2021	100,000	1,604	101,604

WH Smith High Street Holdings Limited

Notes to the financial statements Year ended 31 August 2021

1. Accounting policies

A summary of the principal accounting policies is set out below.

General information

WH Smith High Street Holdings Limited is a private company limited by shares, incorporated and domiciled in the United Kingdom and registered in England and Wales.

Accounting convention

The financial statements of WH Smith High Street Holdings Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101).

The financial statements are prepared under the historical cost basis and are in compliance with the Companies Act 2006 as applicable to companies applying FRS 101 and applicable United Kingdom law and accounting standards.

All accounting policies have been applied consistently in the current year and the prior year, except as noted below and under "new standards adopted in the year."

Basis of preparation

The financial statements are for the year ended 31 August 2021. The prior year financial statements were for the year ended 31 August 2020.

The Company is a wholly owned subsidiary of WH Smith Retail Holdings Limited and of its ultimate parent, WH Smith PLC. It is included in the consolidated financial statements of WH Smith PLC which are publicly available. Therefore the Company is exempt from producing consolidated financial statements under section 400 of the Companies Act 2006. The financial statements have been prepared on the going concern basis as explained below.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective and certain related party transactions.

Where relevant, equivalent disclosures have been given in the group financial statements of WH Smith PLC. The group financial statements of WH Smith PLC are available to the public and can be obtained as set out in Note 11.

Going concern

The directors are required to assess whether the Company can continue to operate for the 12 months from the date of approval of these financial statements, and to prepare the financial statements on a going concern basis.

The directors report that they have undertaken a rigorous assessment of current performance and cash flow forecasts, including expenditure commitments, capital expenditure and borrowing facilities. The Company has made a loss in the current year. The Company is in receipt of a letter of support from its ultimate parent company, WH Smith PLC, to provide financial support for a period of no less than 12 months from the signing date of these 2021 financial statements. Based on this assessment the directors have concluded that the Company is able to adequately manage its financing and principal risks, and that the Company will be able to operate within the level of the Group's facilities and meet the required covenants for the period to February 2023.

The Strategic report describes the Company's financial position, cash flows and borrowing facilities and also highlights the principal risks and uncertainties facing the Company. The WH Smith PLC Annual Report and Accounts 2021, which does not form part of this report, includes further information regarding the Group's financial position, cash flows and borrowing facilities, as well as its policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk. The Strategic report of the WH Smith PLC Annual Report and Accounts 2021 also highlights the main risks and uncertainties facing the Group, a copy of which is available on the Group's website at www.whsmithplc.co.uk.

WH Smith High Street Holdings Limited

Notes to the financial statements (continued) Year ended 31 August 2021

1. Accounting policies (continued)

Going concern (continued)

In making the Group's going concern assessment, the directors have modelled a number of scenarios for the period to February 2023. The base case scenario is consistent with the Board approved 2022 Budget and the three year plan. Under this scenario the Group has significant liquidity and comfortably complies with all covenant tests to February 2023.

A severe but plausible scenario has also been modelled which assumes a further three-month lockdown over the period December 2021 to February 2022 across the Group, followed by a recovery which reflects the profile observed in the year ended 31 August 2021. The severe but plausible scenario does not assume any further government financial support despite the continuation of lockdowns. However, the severe but plausible scenario includes a number of mitigating actions including savings in store and head office payrolls and rent relief in Travel UK, to mitigate the impact of lockdown with lower sales.

In both the base case and severe but plausible scenarios the Group would continue to have sufficient liquidity headroom on its existing facilities, as described above. The covenants on the above facilities are tested half-yearly. The covenant tests at 31 August 2021, 28 February 2022 and 31 August 2022 are based on minimum liquidity and under the base case and severe but plausible scenarios the Group would meet these covenant tests. The covenant test as at 28 February 2023 is based on fixed charges cover and net borrowings. Under both the base case and the severe but plausible scenarios, the Group would meet these covenant tests. In addition, we have received excellent support from our banks who have granted covenant waivers throughout the pandemic.

As a result of the above analysis, the directors believe that the Company has sufficient financial resources to continue in operation and meet its obligations as they fall due for the 12 months from the date of approval of these financial statements. No changes in the Company's principle activities are foreseen.

New standards adopted in the year

The Company has adopted the following standards and interpretations which became mandatory during the current financial year. These changes have had no material impact on the Company's financial statements:

- Amendments to references to Conceptual Framework in IFRS standards
- Amendments to IFRS 16 - Covid-19 related rent concessions
- Amendment to IFRS 9, IAS 39 and IFRS 7 - Interest rate benchmark reform – Phase 1
- Amendments to IFRS 3 - Definition of a business
- Amendments to IAS 1 and IAS 8 - Definition of material

Investments

Investments in subsidiaries are accounted for at cost less, where appropriate provisions for impairment. The carrying value of investments in group undertakings is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Dividends payable and receivable

Final dividends are recorded in the financial statements in the period in which they are approved by the Company's shareholders. Interim dividends are recorded in the period in which they are approved and paid.

Dividends receivable from subsidiaries are recorded in the statement of profit or loss and other comprehensive income in the period in which they are received.

WH Smith High Street Holdings Limited

Notes to the financial statements (continued) Year ended 31 August 2021

1. Accounting policies (continued)

Interest payable

Interest payable and similar charges are recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial liability and allocating the interest expense over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount of the financial liability.

Financial instruments

a) Trade receivables

Trade receivables are measured at initial recognition, do not carry any interest and are stated at their fair value and are subsequently measured at amortised cost using the effective interest rate method. Allowances for doubtful debts are recognised based on management's expectation of losses, without regard to whether an impairment trigger has occurred or not (an 'expected credit loss' model under IFRS 9).

b) Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

c) Equity instruments

Equity instruments issued are recorded at the proceeds received, net of direct issue costs.

2. Critical accounting judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expense, and the disclosure of contingent assets and liabilities. Actual results could differ from these estimates and any subsequent changes are accounted for with an effect on income at the time such updated information becomes available.

The most critical judgements are set out below:

a) Impairment of investments in subsidiary undertakings

Investments in subsidiary undertakings are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. When a review for impairment is conducted, the recoverable amounts of the cash-generating unit is determined based on value-in-use calculations prepared on the basis of management's assumptions and estimates. The key assumptions in the value-in-use calculations include growth rate of revenue and expenses, discount rates and likelihood of lease renewal.

WH Smith High Street Holdings Limited

Notes to the financial statements (continued) Year ended 31 August 2021

3. Operating result

The Company had no employees (2020: none). The remuneration of R J Moorhead, C Cowling and I Houghton is paid by a fellow Group company and no allocation of their services, as directors of WH Smith High Street Holdings Limited and other Group companies, is made. All of the directors serve as directors a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their remuneration in respect of each of the subsidiaries. Accordingly, no disclosure in respect of the remuneration of the directors is made. The remuneration of R J Moorhead, C Cowling and I Houghton is disclosed in the financial statements of WH Smith Retail Holdings Limited. The remuneration of R J Moorhead and C Cowling is also included in the directors' emoluments disclosed in the consolidated financial statements of WH Smith PLC.

For the year ending 31 August 2021 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies, and therefore no audit fees were incurred. There were no non-audit fees.

Statutory disclosures in respect of non-audit fees for the group are given in the consolidated financial statements of WH Smith PLC.

4. Interest payable and similar expenses

	2021 £'000	2020 £'000
Interest on amounts payable to group undertakings	2,258	3,393

5. Tax on loss

Tax (credit) / charge included in profit or loss

	2021 £'000	2020 £'000
Current year credit	(429)	(645)
Tax credit on loss on ordinary activities	(429)	(645)

Reconciliation of the tax credit

The tax assessed for the year is equal to (2020: equal to) the standard rate of corporation tax in the UK (2021: 19%, 2020: 19%).

	2021 £'000	2020 £'000
Loss before taxation	(2,258)	(3,393)
Tax (credit) on loss before taxation at UK rate of corporation tax of 19.00% (2020: 19.00%)	(429)	(645)
Total tax credit	(429)	(645)

The UK corporation tax rate is 19 per cent effective from 1 April 2017. In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate will increase to 25 per cent. This new law was substantively enacted on 24 May 2021, and the impact of this change is £nil for WH Smith High Street Holdings Limited.

WH Smith High Street Holdings Limited

Notes to the financial statements (continued) Year ended 31 August 2021

6. Investments

	Total £'000
Cost	
At 1 September 2020 and 31 August 2021	308,000
Provision for Impairment	
At 1 September 2020 and 31 August 2021	-
Net book value	
At 31 August 2020 and 31 August 2021	308,000

The directors believe that the carrying value of the investments is supported by their underlying net assets.

At 31 August 2021 the Company directly owned the entire issued equity share capital of the following companies, which are registered in England and Wales. The registered address of all of the companies below is Greenbridge Road, Swindon, Wiltshire, SN3 3RX.

Subsidiaries	Nature of business	Class of share
WH Smith High Street Limited	Retailing	Ordinary shares; non-redeemable preference shares
Books & Stationers Limited	Retailing	Ordinary shares

At 31 August 2021 the Company indirectly owned the entire issued equity share capital of the following companies, which are registered in England and Wales. The registered address of all of the companies below is Greenbridge Road, Swindon, Wiltshire, SN3 3RX.

Subsidiaries	Nature of business	Class of share
funkypigeon.com Limited (formerly Spilt Ink Studio Limited)	Retailing	Ordinary
Card Market Limited	Retailing	Ordinary
The SQL Workshop Limited	Retailing	Ordinary
The Card Gallery (UK) Limited	Retailing	Ordinary
Modelzone Limited	Dormant	Ordinary
Sussex Stationers Limited	Dormant	Ordinary
Tree of Hearts Limited	Dormant	Ordinary
Dotty About Paper Limited	Dormant	Ordinary

In the opinion of the directors, the value of the Company's investments in the subsidiaries is not less than the amount at which they are stated in the balance sheet.

WH Smith High Street Holdings Limited

Notes to the financial statements (continued) Year ended 31 August 2021

7. Trade and other receivables: amounts falling due within one year

	2021 £'000	2020 £'000
Amounts owed by group undertakings	91,308	91,308
Corporation tax receivable	-	-
	<u>91,308</u>	<u>91,308</u>

All amounts owed by parent and group undertakings are non-interest bearing and repayable on demand.

8. Trade and other payables: amounts falling due within one year

	2021 £'000	2020 £'000
Amounts owed to group undertakings	297,704	295,875

Included within amounts owed to group undertakings is an unsecured loan note of £208,000,000 which bears interest at GBP 6 month LIBOR plus 1 per cent. The loan note has no fixed date for repayment. All other amounts owed to group undertakings are unsecured, non-interest bearing and are repayable on demand.

9. Called up share capital

	2021		2020	
	Number of shares '000	Nominal value £000	Number of shares '000	Nominal value £000
Allotted and fully paid				
Ordinary shares of £1 (2020: £1) each	100,000	100,000	100,000	100,000
	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

10. Related party transactions

The Company has taken advantage of the exemption granted by paragraph 3(c) of FRS 8, 'Related Party Disclosures', not to disclose transactions with WH Smith Group companies and interests of the Group, which are related parties.

WH Smith High Street Holdings Limited

Notes to the financial statements (continued) Year ended 31 August 2021

11. Ultimate parent company

The ultimate parent company and controlling party is WH Smith PLC, a company registered in England and Wales. WH Smith PLC heads the largest and smallest group of companies of which the Company is a member for which consolidated financial statements are prepared.

The immediate parent company is WH Smith Retail Holdings Limited, which is registered in England and Wales.

Copies of both sets of financial statements are available from:

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