BlackRock®

Annual report and audited financial statements

BlackRock Cash Fund

For the financial year ended 28 February 2022

Contents

General Information

Manager & Registrar
BlackRock Fund Managers Limited
12 Throgmorton Avenue, London EC2N 2DL

Member of The Investment Association and authorised and regulated by the Financial Conduct Authority ("FCA").

Directors of the Manager
G D Bamping*
S Corrigall
W I Cullen*
D Edgar
B Harrison (Appointed 29 April 2021)
A M Lawrence
H N Mepham
M T Zemek*

Trustee & Custodian
The Bank of New York Mellon (International) Limited
One Canada Square, London E14 5AL

Authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority.

Investment Manager
BlackRock Investment Management (UK) Limited
12 Throgmorton Avenue, London EC2N 2DL

Authorised and regulated by the FCA.

Auditor
Ernst & Young LLP
Atria One, 144 Morrison Street, Edinburgh EH3 8EX

BlackRock's proxy voting agent is ISS (Institutional Shareholder Services).

This Report relates to the packaged products of and is issued by:
BlackRock Fund Managers Limited
12 Throgmorton Avenue, London EC2N 2DL
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For your protection, telephone calls are usually recorded.

* Non-executive Director.

About the Fund

BlackRock Cash Fund (the "Fund") is a UCITS scheme under the COLL Sourcebook. The Fund was established on 8 March 1990. The Fund was previously known as Mercury Cash Trust. On 30 September 2000 the Fund's name was changed to Merrill Lynch Cash Fund. The Fund adopted its present name with effect 28 April 2008. The Fund's FCA product reference number is 145362.

Assessment of value

The FCA requires UK fund managers to complete an annual assessment of whether their UK authorised funds provide value for investors. BlackRock's assessment considers fund and unit class-level performance, costs and charges, and service quality, concluding with an evaluation of whether investors receive value. BlackRock has fulfilled its obligations for the reporting requirement, including assessing relevant charges, and published the annual assessment of value statements on the BlackRock website on 29 October 2021 in a composite report for all funds managed by BlackRock Fund Managers Limited subject to these requirements.

Fund Manager

As at 28 February 2022, the Fund Manager of the Fund is Matt Clay.

Significant Events

Changes in the Directors of the Manager

B Harrison was appointed as a Director effective 29 April 2021.

Outbreak of COVID-19

The infectious respiratory illness caused by a novel coronavirus known as COVID-19 has had a profound impact on all aspects of society in recent years. The impact of this significant event on the Fund's financial risk exposure is disclosed in Note 2.

The Manager has assessed the impact of market conditions arising from the COVID-19 outbreak on the Fund's ability to meet its investment objectives. Based on the latest available information, the Fund continues to be managed in line with its investment objective, with no disruption to the operations of the Fund and the publication of net asset values.

Annual Service Charge

Effective 30 June 2021, the Annual Service Charge levied against the Fund in respect to the servicing of unitholders was reduced. The new rates are shown in the Prospectus dated 9 February 2022.

Russian invasion of Ukraine

Certain financial markets have fallen towards the end of the financial year due primarily to geo-political tensions arising from Russia's invasion of Ukraine and the impact of the subsequent range of sanctions, regulations and other measures which impaired normal trading in Russian securities. The Board and the Manager continue to monitor investment performance in line with the Fund's investment objectives.

Risk and Reward Profile

Unit Class	Lower risk Typically lower rewards						Higher risk Typically higher rewards
A Income	**1**	2	3	4	5	6	7
A Accumulation	**1**	2	3	4	5	6	7
X Income	**1**	2	3	4	5	6	7
X Accumulation	**1**	2	3	4	5	6	7
D Income	**1**	2	3	4	5	6	7
D Accumulation	**1**	2	3	4	5	6	7
S Income	**1**	2	3	4	5	6	7
S Accumulation	**1**	2	3	4	5	6	7
OA Income	**1**	2	3	4	5	6	7
OA Accumulation	**1**	2	3	4	5	6	7
OD Income	**1**	2	3	4	5	6	7
OD Accumulation	**1**	2	3	4	5	6	7
OS Income	**1**	2	3	4	5	6	7
OS Accumulation	**1**	2	3	4	5	6	7

- The risk indicator was calculated incorporating historical or simulated historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest category does not mean risk free.

For more information on this, please see the Fund's Key Investor Information Documents ("KIIDs"), which are available at **www.blackrock.com**.

Investment Report

for the year ended 28 February 2022

Investment Objective

The aim of the Fund is to provide a rate of interest (i.e. a return) (gross of fees) for unitholders, consistent with preservation of principal (capital) and liquidity.

Comparator benchmark	Investment management approach
SONIA	Active

Performance Summary

The following table compares the Fund's realised performance against the performance of the relevant comparator benchmark during the financial year ended 28 February 2022.

The returns disclosed, based on bid-to-bid dealing prices (the price at which units are sold) and calculated net of fees, are the performance returns for the primary unit class of the Fund which has been selected as a representative unit class. The primary unit class represents the class of unit which is the highest charging unit class, free of any commissions or rebates, and is freely available. Performance returns for any other unit class can be made available on request.

	Fund return %	Comparator benchmark %*
Class D Accumulation Units	(0.06)	(0.01)

* Effective 13 December 2021, to comply with the FCA requirement to transition from London Interbank Offered rate (LIBOR) to an Alternative Reference Rate (ARR), the Directors determined that the Fund would move to a Sterling Overnight Index Average (SONIA) as an alternative to LIBOR. The benchmark performance return presented for the financial year is a blended return which is a combination of the new and the old benchmark.

All financial investments involve an element of risk. Therefore, the value of your investment and the income from it will vary and the return of your initial investment amount cannot be guaranteed. Past performance is not a guide to future performance and should not be the sole factor of consideration when selecting a product.

Global Economic Overview

Global equities, as represented by the MSCI All Country World Index ("ACWI"), posted a return of 12.34% (in British pound sterling terms) for the twelve months ended 28 February 2022. A continued recovery in consumer spending and the implementation of COVID-19 vaccination programmes led to solid economic growth during the twelve-month period. However, the surge in spending on goods and imbalances between supply and demand drove significant global inflation (rate of increase in the prices of goods and services), and the spread of highly contagious variants of COVID-19, led to setbacks in the recovery. Late in the reporting period, Russia's invasion of Ukraine drove further uncertainty in financial markets. Sanctions imposed on Russia negatively impacted businesses with ties to the region and prompted concerns about further rises in commodity prices, including energy, where Russia is one of the world's notable exporters.

The US economy, powered by a surge in consumer spending and increased international trade, grew at a fast pace in 2021, posting its highest annual growth rate since 1984. However, Japanese growth was slow, as a semiconductor shortage hindered production in its electronics and automobile industries. The UK economy contracted early in 2021 before returning to growth for the remainder of 2021, amid an increase in COVID-19 vaccinations. The Eurozone briefly entered a mild recession in early 2021 but grew modestly throughout the period.

Emerging market economies were volatile, as higher commodity prices, continued COVID-19 outbreaks and differing central bank policies led to significant variation in growth. The Chinese economy slowed amid regulatory shifts, concerns about the heavily indebted property sector and restrictions on industrial power usage. India's economy contracted sharply in the second quarter of 2021, before rebounding strongly in the third quarter, as easing lockdown restrictions led to higher consumer spending. Both Mexico and Brazil's economies grew only modestly during 2021.

As the global economy improved, the world's largest central banks began to implement various measures aimed at monetary policy tightening, in the face of rising inflation. The US Federal Reserve ("the Fed") kept interest rates near zero and maintained bond buying programmes to stabilise US Treasury and government agency debt markets. However, the Fed began reducing asset purchases in late 2021, and indicated that a series of interest rate increases were likely in 2022.

The Bank of England raised interest rates twice, as inflation reached a thirty-year high. Inflation pressure also affected the Eurozone, and while the European Central Bank ("ECB") maintained record low interest rates, it also shifted its tone by acknowledging the persistence of high inflation.

Global equity performance was mixed during the reporting period, with significant variation by size and region. The implementation of COVID-19 vaccination programmes early in the period provided a strong boost to equities. However, continued inflation pressure, amid supply chain constraints and tighter monetary policy from many central banks pressured equities in the second half of the reporting period. Equities in the US generally posted higher returns than equities in Europe, where economic growth was slower. Rising interest rates and increased uncertainty meant that the equities of larger companies generally performed better than those of smaller, growth-oriented companies. Globally, bonds and equities that factor in companies' environmental, social, and governance ("ESG") characteristics continued to attract strong investor interest. Bond issuance for ESG-related projects grew to a record in 2021 amid rising investor demand and inflows into ESG equity funds also increased, particularly in US and Asian markets.

Global corporate bond returns were negative overall, as yields (which move inversely to prices) rose. As inflation concerns increased, investors' expectations for future interest rate increases, which reduce the value of existing bonds, ramped up. Corporate bond prices fell globally as yield spreads (the difference in yield between government and corporate bonds with similar maturities) widened and investors reassessed credit conditions amid heightened uncertainty.

Yields on the 10-year US Treasury, a benchmark lending rate for the global bond market, rose significantly during the reporting period amid higher inflation and investors' expectations for future Fed interest rate increases. Yields also rose on most other government bonds, particularly UK gilts and government bonds from Europe, while Japanese government bond yields rose more slowly.

Equities in emerging markets posted a substantial decline as the US dollar strengthened and interest rates rose. Central banks in several emerging markets, such as Brazil and Mexico, raised interest rates in response to heightened inflation. In China, an abrupt regulatory shift, targeting companies in the technology, education, and gaming industries, further impacted equities negatively. Late in the reporting period, Russian equities declined significantly and the Moscow Exchange halted trading in the wake of Russia's invasion of Ukraine. Emerging market bond prices declined sharply, partly as a result of Russia's invasion of Ukraine near the end of the reporting period.

In the commodities market, supply and demand shifts induced by the COVID-19 pandemic and subsequent recovery led to a notable rise in many commodity prices. Energy commodities, which had fallen sharply in value at the beginning of the COVID-19 pandemic, rebounded due to higher demand amid a rise in industrial output, and Brent crude oil, natural gas and coal prices all rose. Sanctions on Russia further exacerbated concerns surrounding supply constraints in oil and gas commodity markets late in the reporting period. The prices of other commodities associated with Russia and Ukraine, including wheat and nickel, also rose notably. Gold prices rose as investors sought a store of value amid high inflation and geopolitical instability.

On the foreign exchanges, the US dollar rose against most other global currencies, as investors anticipated monetary tightening by the Fed early in 2022. The relatively accommodative stances of the Bank of Japan and the ECB meant that the Japanese yen and the euro both declined notably compared to the US dollar, while the British pound sterling declined less. The Chinese yuan was one of the few currencies that gained against the US dollar, supported by increasing exports and capital inflows.

Fund Performance Review and Activity

Over the financial year to 28 February 2022, the Fund's return was (0.06%), underperforming its comparator benchmark, which returned (0.01%).

The Bank of England (BOE) kept the Bank Rate unchanged at 0.10% and the Asset Purchase Facility target (which is part of its programme of quantitative easing initiated in 2009) at £895bln in the first part of the financial year. November was a month of volatility with the market repricing lower rate hike expectations after the BOE meeting and facing new risks related to COVID-19. Against expectations, the BOE again kept rates unchanged at 0.10% at its November 2021 meeting. In December, the BOE unexpectedly voted 8-1 to raise interest rates for the first time in three years, despite a surge in new cases of Covid-19. The bank Base Rate increased from 0.10% to 0.25%. Despite this increase, market pricing and the availability of issuance was heavily influenced by year end pressures. The manager's focus was on sourcing short-dated supply and getting cash spent over the year end turn. We were also very conscious of the possibility of a further rate hike in February 2022.

BOE policymakers voted in favour of lifting rates to 0.50% from 0.25% in the February 2022 meeting. The vote was split, with four Monetary Policy Committee (MPC) members pushing for a 0.50% hike to 0.75%. The forecasts for the peak of inflation were lifted to 7.25% in April 2022, more than triple the BOE's 2% target. Inflation had previously been expected to peak around 6%. Wage-growth forecasting was sharply increased in light of the continued strain in the labor market. MPC now predicts the underlying pace will hit 4.75% in the coming year. Higher energy prices added further pressure, while cost of living pressures are expected to slow GDP growth. Leading up to the meeting the weighted average maturities (WAM) of the fund was on the neutral to short side as the manager looked to build cash ahead of this expected rate hike. This gives the opportunity to deploy cash opportunistically across the curve at higher yield levels in the days and weeks after the meeting.

At the end of February 2022, money markets participants pushed back the expectations on 100bps of BOE rate hikes to September 2022, from August 2022 previously, as growth outlooks are pared following Russia's invasion of Ukraine. Money markets price 99bps of BOE tightening in August 2022, compared with 105bps early in February 2022; 106bps of rate hikes is priced for September 2022. Traders earlier pushed back pricing for five quarter-point hikes to 2023 from December 2022.

From 1 March 2021 to 28 February 2022, the Weighted Average Maturity (WAM's) and Weighted Average Life (WAL's) decreased from 54.02 to 27.15 days and from 73.39 to 40.10 days respectively. This decrease is mainly due to the Bank of England rates hike expectation, the Russia-Ukraine situation, and its impact on inflation and growth, the manager has positioned the fund defensively by keeping the WAM/WAL short.

Performance Attribution is not deemed an appropriate measure for comparison for Money Market Funds due to the nature of the investment objectives. The fund focuses its investment decisions on preservation of capital and liquidity with yield a tertiary objective. Therefore analysing the contributors and detractors to the fund on an asset class basis, doesn't give a useful insight to drive portfolio investment decision making.

The following table details the significant portfolio weightings at 28 February 2022 and 28 February 2021:

28 February 2022		28 February 2021	
Bond Type	**Weighting**	**Bond Type**	**Weighting**
Certificate of Deposit	45.33%	Other Instrument (Time Deposit)	42.44%
Other Instrument (Time Deposit)	28.32%	Certificate of Deposit	32.63%
Financial Company Commercial Paper	17.92%	Financial Company Commercial Paper	15.09%
Investment Company	4.16%	Other Note	3.86%
Other Note	2.26%	Asset Backed Commercial Paper	3.69%

Performance Record

Comparative Table

	A Income Units			A Accumulation Units		
	For the year to 28.2.2022	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2022	For the year to 28.2.2021	For the year to 29.2.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	100.7	100.7	100.7	238.7	238.7	238.0
Return before operating charges	0.05	0.49	0.80	0.17	1.22	2.04
Operating charges	(0.16)	(0.53)	(0.57)	(0.38)	(1.27)	(1.36)
Return after operating charges	(0.11)	(0.04)	0.23	(0.21)	(0.05)	0.68
Distributions	0.00	0.00	(0.25)	0.00	0.00	(0.58)
Retained distributions on accumulation units	N/A	N/A	N/A	N/A	N/A	0.58
Closing net asset value per unit	100.6	100.7	100.7	238.5	238.7	238.7
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges[1]	(0.11)%	(0.04)%	0.23%	(0.09)%	(0.02)%	0.29%
Other information						
Closing net asset value (£000's)	6,975	6,381	7,017	231,281	322,155	434,960
Closing number of units	6,934,278	6,338,682	6,970,156	96,977,750	134,992,589	182,235,454
Operating charges[2]	0.16%	0.53%	0.57%	0.16%	0.53%	0.57%
Direct transaction costs[3]	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Highest offer unit price	100.7	100.7	100.7	238.6	238.8	238.7
Lowest bid unit price	100.6	100.7	100.7	238.5	238.6	238.1

[1] The return after charges figures are based on the net asset value reported for financial statements purposes and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on bid-to-bid dealing prices (the price at which units are sold).

[2] Operating charges are annualised and exclude portfolio trade-related costs, except costs paid to the custodian/depositary and entry/exit charges paid to an underlying collective investment scheme (if any).

[3] Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of debt instruments. See note 14 for further details.

Performance Record continued

Comparative Table continued

	X Income Units			X Accumulation Units		
	For the year to 28.2.2022	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2022	For the year to 28.2.2021	For the year to 29.2.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	100.0	100.1	100.0	103.0	102.8	102.0
Return before operating charges	0.13	0.16	0.82	0.11	0.23	0.84
Operating charges	(0.01)	(0.02)	(0.03)	(0.01)	(0.02)	(0.02)
Return after operating charges	0.12	0.14	0.79	0.10	0.21	0.82
Distributions	(0.15)	(0.20)	(0.74)	(0.15)	(0.21)	(0.82)
Retained distributions on accumulation units	N/A	N/A	N/A	0.15	0.21	0.82
Closing net asset value per unit	99.97	100.0	100.1	103.1	103.0	102.8
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges[1]	0.12%	0.14%	0.79%	0.10%	0.20%	0.80%
Other information						
Closing net asset value (£000's)	66,323	70,646	87,381	252,834	211,452	177,970
Closing number of units	66,341,325	70,619,406	87,334,985	245,238,843	205,272,282	173,093,332
Operating charges[2]	0.01%	0.02%	0.03%	0.01%	0.02%	0.02%
Direct transaction costs[3]	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Highest offer unit price	100.1	100.2	100.2	103.1	103.0	102.8
Lowest bid unit price	100.0	100.0	100.0	103.0	102.8	102.0

[1] The return after charges figures are based on the net asset value reported for financial statements purposes and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on bid-to-bid dealing prices (the price at which units are sold).

[2] Operating charges are annualised and exclude portfolio trade-related costs, except costs paid to the custodian/depositary and entry/exit charges paid to an underlying collective investment scheme (if any).

[3] Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of debt instruments. See note 14 for further details.

Comparative Table continued

	D Income Units			D Accumulation Units		
	For the year to 28.2.2022	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2022	For the year to 28.2.2021	For the year to 29.2.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	100.6	100.6	100.6	242.5	242.5	241.2
Return before operating charges	0.10	0.34	0.84	0.20	0.71	2.02
Operating charges	(0.15)	(0.30)	(0.32)	(0.36)	(0.73)	(0.77)
Return after operating charges	(0.05)	0.04	0.52	(0.16)	(0.02)	1.25
Distributions	(0.01)	(0.03)	(0.50)	(0.02)	(0.07)	(1.20)
Retained distributions on accumulation units	N/A	N/A	N/A	0.02	0.07	1.20
Closing net asset value per unit	100.5	100.6	100.6	242.3	242.5	242.5
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges[1]	(0.05)%	0.04%	0.52%	(0.06)%	0.00%	0.52%
Other information						
Closing net asset value (£000's)	16,767	107,419	27,044	107,081	132,914	265,207
Closing number of units	16,677,295	106,771,723	26,876,871	44,185,546	54,814,508	109,387,049
Operating charges[2]	0.15%	0.30%	0.32%	0.15%	0.30%	0.32%
Direct transaction costs[3]	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Highest offer unit price	100.6	100.7	100.7	242.5	242.6	242.4
Lowest bid unit price	100.5	100.6	100.6	242.3	242.5	241.2

[1] The return after charges figures are based on the net asset value reported for financial statements purposes and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on bid-to-bid dealing prices (the price at which units are sold).

[2] Operating charges are annualised and exclude portfolio trade-related costs, except costs paid to the custodian/depositary and entry/exit charges paid to an underlying collective investment scheme (if any).

[3] Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of debt instruments. See note 14 for further details.

Performance Record continued

Comparative Table continued

	S Income Units			S Accumulation Units		
	For the year to 28.2.2022	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2022	For the year to 28.2.2021	For the year to 29.2.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	100.2	100.2	100.2	101.6	101.6	101.0
Return before operating charges	0.08	0.28	0.82	0.11	0.26	0.86
Operating charges	(0.15)	(0.25)	(0.27)	(0.15)	(0.25)	(0.27)
Return after operating charges	(0.07)	0.03	0.55	(0.04)	0.01	0.59
Distributions	(0.01)	(0.04)	(0.55)	(0.01)	(0.04)	(0.55)
Retained distributions on accumulation units	N/A	N/A	N/A	0.01	0.04	0.55
Closing net asset value per unit	100.1	100.2	100.2	101.6	101.6	101.6
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges[1]	(0.07)%	0.03%	0.55%	(0.04)%	0.00%	0.58%
Other information						
Closing net asset value (£000's)	2,719	3,054	2,817	30,248	37,825	86,409
Closing number of units	2,715,772	3,048,267	2,810,892	29,783,134	37,223,634	85,057,500
Operating charges[2]	0.15%	0.25%	0.27%	0.15%	0.25%	0.27%
Direct transaction costs[3]	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Highest offer unit price	105.2	105.3	105.3	106.7	106.7	106.7
Lowest bid unit price	100.1	100.2	100.2	101.5	101.6	101.0

[1] The return after charges figures are based on the net asset value reported for financial statements purposes and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on bid-to-bid dealing prices (the price at which units are sold).

[2] Operating charges are annualised and exclude portfolio trade-related costs, except costs paid to the custodian/depositary and entry/exit charges paid to an underlying collective investment scheme (if any).

[3] Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of debt instruments. See note 14 for further details.

Comparative Table continued

	OA Income Units			OA Accumulation Units		
	For the year to 28.2.2022	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2022	For the year to 28.2.2021	For the year to 29.2.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	100.1	100.0	99.96	101.0	100.9	100.3
Return before operating charges	0.38	0.54	1.17	0.39	0.55	1.20
Operating charges	(0.41)	(0.46)	(0.57)	(0.41)	(0.46)	(0.57)
Return after operating charges	(0.03)	0.08	0.60	(0.02)	0.09	0.63
Distributions	0.00	0.00	(0.54)	0.00	0.00	(0.54)
Retained distributions on accumulation units	N/A	N/A	N/A	N/A	N/A	0.54
Closing net asset value per unit	100.1	100.1	100.0	101.0	101.0	100.9
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges[1]	(0.03)%	0.08%	0.60%	(0.02)%	0.09%	0.63%
Other information						
Closing net asset value (£000's)	–	–	–	–	–	–
Closing number of units	100	100	100	100	100	100
Operating charges[2]	0.41%	0.46%	0.57%	0.41%	0.46%	0.57%
Direct transaction costs[3]	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Highest offer unit price	105.1	105.1	105.2	106.0	106.1	106.0
Lowest bid unit price	100.1	100.0	99.96	101.0	100.9	100.3

[1] The return after charges figures are based on the net asset value reported for financial statements purposes and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on bid-to-bid dealing prices (the price at which units are sold).

[2] Operating charges are annualised and exclude portfolio trade-related costs, except costs paid to the custodian/depositary and entry/exit charges paid to an underlying collective investment scheme (if any).

[3] Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of debt instruments. See note 14 for further details.

Comparative Table continued

	OD Income Units			OD Accumulation Units		
	For the year to 28.2.2022	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2022	For the year to 28.2.2021	For the year to 29.2.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	100.1	100.1	100.0	101.2	101.1	100.5
Return before operating charges	(0.01)	0.30	0.97	0.02	0.31	0.90
Operating charges	(0.18)	(0.24)	(0.32)	(0.15)	(0.24)	(0.32)
Return after operating charges	(0.19)	0.06	0.65	(0.13)	0.07	0.58
Distributions	(0.01)	(0.02)	(0.58)	(0.01)	(0.02)	(0.58)
Retained distributions on accumulation units	N/A	N/A	N/A	0.01	0.02	0.58
Closing net asset value per unit	99.90	100.1	100.1	101.1	101.2	101.1
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges[1]	(0.19)%	0.06%	0.65%	(0.13)%	0.07%	0.58%
Other information						
Closing net asset value (£000's)	13	–	–	2,172	–	–
Closing number of units	13,304	100	100	2,148,963	100	100
Operating charges[2]	0.18%	0.24%	0.32%	0.15%	0.24%	0.32%
Direct transaction costs[3]	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Highest offer unit price	105.1	105.2	105.2	106.3	106.2	106.1
Lowest bid unit price	99.90	100.1	100.0	101.1	101.1	100.5

[1] The return after charges figures are based on the net asset value reported for financial statements purposes and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on bid-to-bid dealing prices (the price at which units are sold).

[2] Operating charges are annualised and exclude portfolio trade-related costs, except costs paid to the custodian/depositary and entry/exit charges paid to an underlying collective investment scheme (if any).

[3] Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of debt instruments. See note 14 for further details.

Performance Record continued

Comparative Table continued

	OS Income Units			OS Accumulation Units		
	For the year to 28.2.2022	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2022	For the year to 28.2.2021	For the year to 29.2.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	100.1	100.1	100.1	101.2	101.1	100.6
Return before operating charges	0.05	0.25	0.79	0.05	0.30	0.80
Operating charges	(0.15)	(0.25)	(0.27)	(0.15)	(0.25)	(0.27)
Return after operating charges	(0.10)	0	0.52	(0.10)	0.05	0.53
Distributions	(0.01)	(0.04)	(0.55)	(0.01)	(0.04)	(0.55)
Retained distributions on accumulation units	N/A	N/A	N/A	0.01	0.04	0.55
Closing net asset value per unit	99.99	100.1	100.1	101.1	101.2	101.1
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges[1]	(0.10)%	0.00%	0.52%	(0.09)%	0.05%	0.53%
Other information						
Closing net asset value (£000's)	9,689	18,162	17,254	1,137,094	1,125,818	1,186,633
Closing number of units	9,689,094	18,151,400	17,241,061	1,124,730,419	1,112,997,040	1,173,416,490
Operating charges[2]	0.15%	0.25%	0.27%	0.15%	0.25%	0.27%
Direct transaction costs[3]	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Highest offer unit price	105.1	105.1	105.2	106.2	106.3	106.2
Lowest bid unit price	100.0	100.1	100.1	101.1	101.1	100.6

[1] The return after charges figures are based on the net asset value reported for financial statements purposes and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on bid-to-bid dealing prices (the price at which units are sold).

[2] Operating charges are annualised and exclude portfolio trade-related costs, except costs paid to the custodian/depositary and entry/exit charges paid to an underlying collective investment scheme (if any).

[3] Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of debt instruments.
See note 14 for further details.

Distribution Tables

for the year ended 28 February 2022

Final Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 December 2021

Group 2 – Units purchased 1 December 2021 to 28 February 2022

	A Income Units		A Accumulation Units		X Income Units		X Accumulation Units	
	Group 1	**Group 2**	**Group 1**	**Group 2**	**Group 1**	**Group 2**	**Group 1**	**Group 2**
Gross revenue	0.0000	0.0000	0.0001	0.0001	0.0516	0.0436	0.0533	0.0468
Equalisation†	–	0.0000	–	0.0000	–	0.0080	–	0.0065
Distribution paid 30.4.2022	**0.0000**	**0.0000**	**0.0001**	**0.0001**	**0.0516**	**0.0516**	**0.0533**	**0.0533**
Distribution paid 30.4.2021	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0197**	**0.0197**	**0.0203**	**0.0203**

	D Income Units		D Accumulation Units		S Income Units		S Accumulation Units	
	Group 1	**Group 2**	**Group 1**	**Group 2**	**Group 1**	**Group 2**	**Group 1**	**Group 2**
Gross revenue	0.0103	0.0059	0.0249	0.0192	0.0143	0.0092	0.0143	0.0117
Equalisation†	–	0.0044	–	0.0057	–	0.0051	–	0.0026
Distribution paid 30.4.2022	**0.0103**	**0.0103**	**0.0249**	**0.0249**	**0.0143**	**0.0143**	**0.0143**	**0.0143**
Distribution paid 30.4.2021	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**

	OA Income Units		OA Accumulation Units		OD Income Units		OD Accumulation Units	
	Group 1	**Group 2**	**Group 1**	**Group 2**	**Group 1**	**Group 2**	**Group 1**	**Group 2**
Gross revenue	0.0000	0.0000	0.0000	0.0000	0.0092	0.0039	0.0092	0.0092
Equalisation†	–	0.0000	–	0.0000	–	0.0053	–	0.0000
Distribution paid 30.4.2022	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0092**	**0.0092**	**0.0092**	**0.0092**
Distribution paid 30.4.2021	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0100**	**0.0100**	**0.0100**	**0.0100**

	OS Income Units		OS Accumulation Units	
	Group 1	**Group 2**	**Group 1**	**Group 2**
Gross revenue	0.0137	0.0130	0.0142	0.0122
Equalisation†	–	0.0007	–	0.0020
Distribution paid 30.4.2022	**0.0137**	**0.0137**	**0.0142**	**0.0142**
Distribution paid 30.4.2021	**0.0000**	**0.0000**	**0.0000**	**0.0000**

Third Interim Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 September 2021

Group 2 – Units purchased 1 September 2021 to 30 November 2021

	A Income Units		A Accumulation Units		X Income Units		X Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	0.0000	0.0000	0.0000	0.0000	0.0296	0.0053	0.0306	0.0149
Equalisation†	–	0.0000	–	0.0000	–	0.0243	–	0.0157
Distribution paid 31.1.2022	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0296**	**0.0296**	**0.0306**	**0.0306**
Distribution paid 31.1.2021	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0190**	**0.0190**	**0.0195**	**0.0195**

	D Income Units		D Accumulation Units		S Income Units		S Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Equalisation†	–	0.0000	–	0.0000	–	0.0000	–	0.0000
Distribution paid 31.1.2022	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**
Distribution paid 31.1.2021	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**

	OA Income Units		OA Accumulation Units		OD Income Units		OD Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Equalisation†	–	0.0000	–	0.0000	–	0.0000	–	0.0000
Distribution paid 31.1.2022	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**
Distribution paid 31.1.2021	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**

	OS Income Units		OS Accumulation Units	
	Group 1	Group 2	Group 1	Group 2
Gross revenue	0.0000	0.0000	0.0000	0.0000
Equalisation†	–	0.0000	–	0.0000
Distribution paid 31.1.2022	**0.0000**	**0.0000**	**0.0000**	**0.0000**
Distribution paid 31.1.2021	**0.0000**	**0.0000**	**0.0000**	**0.0000**

Distribution Tables continued

Second Interim Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 June 2021

Group 2 – Units purchased 1 June 2021 to 31 August 2021

	A Income Units		A Accumulation Units		X Income Units		X Accumulation Units	
	Group 1	**Group 2**	**Group 1**	**Group 2**	**Group 1**	**Group 2**	**Group 1**	**Group 2**
Gross revenue	0.0000	0.0000	0.0000	0.0000	0.0375	0.0241	0.0386	0.0232
Equalisation†	–	0.0000	–	0.0000	–	0.0134	–	0.0154
Distribution paid 31.10.2021	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0375**	**0.0375**	**0.0386**	**0.0386**
Distribution paid 31.10.2020	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0611**	**0.0611**	**0.0628**	**0.0628**

	D Income Units		D Accumulation Units		S Income Units		S Accumulation Units	
	Group 1	**Group 2**	**Group 1**	**Group 2**	**Group 1**	**Group 2**	**Group 1**	**Group 2**
Gross revenue	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Equalisation†	–	0.0000	–	0.0000	–	0.0000	–	0.0000
Distribution paid 31.10.2021	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**
Distribution paid 31.10.2020	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**

	OA Income Units		OA Accumulation Units		OD Income Units		OD Accumulation Units	
	Group 1	**Group 2**	**Group 1**	**Group 2**	**Group 1**	**Group 2**	**Group 1**	**Group 2**
Gross revenue	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Equalisation†	–	0.0000	–	0.0000	–	0.0000	–	0.0000
Distribution paid 31.10.2021	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**
Distribution paid 31.10.2020	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**

	OS Income Units		OS Accumulation Units	
	Group 1	**Group 2**	**Group 1**	**Group 2**
Gross revenue	0.0000	0.0000	0.0000	0.0000
Equalisation†	–	0.0000	–	0.0000
Distribution paid 31.10.2021	**0.0000**	**0.0000**	**0.0000**	**0.0000**
Distribution paid 31.10.2020	**0.0000**	**0.0000**	**0.0000**	**0.0000**

First Interim Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 March 2021

Group 2 – Units purchased 1 March 2021 to 31 May 2021

	A Income Units		A Accumulation Units		X Income Units		X Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	0.0000	0.0000	0.0000	0.0000	0.0311	0.0140	0.0323	0.0072
Equalisation†	–	0.0000	–	0.0000	–	0.0171	–	0.0251
Distribution paid 31.7.2021	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0311**	**0.0311**	**0.0323**	**0.0323**
Distribution paid 31.7.2020	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.1022**	**0.1022**	**0.1050**	**0.1050**

	D Income Units		D Accumulation Units		S Income Units		S Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Equalisation†	–	0.0000	–	0.0000	–	0.0000	–	0.0000
Distribution paid 31.7.2021	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**
Distribution paid 31.7.2020	**0.0293**	**0.0293**	**0.0658**	**0.0658**	**0.0419**	**0.0419**	**0.0406**	**0.0406**

	OA Income Units		OA Accumulation Units		OD Income Units		OD Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Equalisation†	–	0.0000	–	0.0000	–	0.0000	–	0.0000
Distribution paid 31.7.2021	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0000**
Distribution paid 31.7.2020	**0.0000**	**0.0000**	**0.0000**	**0.0000**	**0.0100**	**0.0100**	**0.0100**	**0.0100**

	OS Income Units		OS Accumulation Units	
	Group 1	Group 2	Group 1	Group 2
Gross revenue	0.0000	0.0000	0.0000	0.0000
Equalisation†	–	0.0000	–	0.0000
Distribution paid 31.7.2021	**0.0000**	**0.0000**	**0.0000**	**0.0000**
Distribution paid 31.7.2020	**0.0405**	**0.0405**	**0.0400**	**0.0400**

† Equalisation applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to holders of these units as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

Report on Remuneration

The below disclosures are made in respect of the remuneration policies of the BlackRock group ("BlackRock"), as they apply to BlackRock Fund Managers Limited (the "Manager"). The disclosures are made in accordance with the provisions in the UK implementation of Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the council of 23 July 2014, (the "Directive"), the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority, the Financial Conduct Authority Handbook SYSC 19E: The UCITS Remuneration Code (the "UCITS Remuneration Code"), and COLL 4.5.7 R(7).

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive, and to UK entities within the BlackRock group authorised as a manager of a UK UCITS fund in accordance with the UCITS as implemented, retained and onshored in the UK.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Remuneration Governance

BlackRock's remuneration governance in EMEA operates as a tiered structure which includes: (a) the Management Development and Compensation Committee ("MDCC") (which is the global, independent remuneration committee for BlackRock, Inc. and (b) the Manager's board of directors (the "Manager's Board"). These bodies are responsible for the determination of BlackRock's remuneration policies.

(a) MDCC

The MDCC's purposes include:

- providing oversight of:
  - BlackRock's executive compensation programmes;
  - BlackRock's employee benefit plans; and
  - such other compensation plans as may be established by BlackRock from time to time for which the MDCC is deemed as administrator;
- reviewing and discussing the compensation discussion and analysis included in the BlackRock, Inc. annual proxy statement with management and approving the MDCC's report for inclusion in the proxy statement;
- reviewing, assessing and making reports and recommendations to the BlackRock, Inc. Board of Directors (the "BlackRock, Inc. Board") as appropriate on BlackRock's talent development and succession planning, with the emphasis on performance and succession at the highest management levels; and
- supporting the boards of the Company's EMEA regulated entities in meeting their remuneration-related obligations by overseeing the design and implementation of EMEA remuneration policy in accordance with applicable regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, who has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which requires each meet a "non-employee director" standard.

The MDCC held 8 meetings during 2021. The MDCC charter is available on BlackRock, Inc.'s website (www.blackrock.com).

Through its regular reviews, the MDCC continues to be satisfied with the principles of BlackRock's compensation policy and approach.

(b) The Manager's Board

The Manager's Board has the task of supervising and providing oversight of the UCITS Remuneration Policy as it applies to the Manager and its Identified Staff.

(c) Decision-making process

Remuneration decisions for employees are made once annually in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for remuneration decision-making is tied to financial performance, significant discretion is used to determine individual variable remuneration based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual remuneration amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration awarded to any individual(s) for a particular performance year may also be zero.

Annual incentive awards are paid from a bonus pool.

The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of BlackRock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate of the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Enterprise Risk and Regulatory Compliance departments report to the MDCC on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure which is independent of the business units. The head of each control function is either a member of the Global Executive Committee ("GEC"), the global management committee, or has a reporting obligation to the board of directors of BlackRock Group Limited, the parent company of all of BlackRock's EMEA regulated entities, including the Manager.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the MDCC.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the following key objectives as detailed below:

- appropriately balance BlackRock's financial results between shareholders and employees;
- attract, retain and motivate employees capable of making significant contributions to the long-term success of the business;
- align the interests of senior employees with those of shareholders by awarding BlackRock Inc.'s stock as a significant part of both annual and long-term incentive awards;
- control fixed costs by ensuring that compensation expense varies with profitability;
- link a significant portion of an employee's total compensation to the financial and operational performance of the business;
- promote sound and effective risk management across all risk categories, including sustainability risk;
- discourage excessive risk-taking (sustainability related or otherwise); and
- ensure that client interests are not negatively impacted by remuneration awarded on a short-term, mid-term and/or long-term basis.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but don't pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business);

- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Remuneration practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

BlackRock operates a total compensation model for remuneration which includes a base salary, which is contractual, and a discretionary bonus scheme.

BlackRock operates an annual discretionary bonus scheme. Although all employees are eligible to be considered for a discretionary bonus, there is no contractual obligation to make any award to an employee under its discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in BlackRock, Inc. stock and subject to additional vesting/clawback conditions. Stock awards are subject to further performance adjustment through variation in BlackRock, Inc.'s share price over the vesting period. As total annual compensation increases, a greater portion is deferred into stock. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests into three equal instalments over the three years following grant.

Supplementary to the annual discretionary bonus as described above, equity awards may be made to select individuals to provide greater linkage with future business results. These long-term incentive awards have been established individually to provide meaningful incentive for continued performance over a multi-year period recognising the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of As Adjusted Operating Margin[1] and Organic Revenue Growth[2]. Determination of pay-out will be made based on the firm's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where the firm's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure across market cycles.

[1] As Adjusted Operating Margin: As reported in BlackRock's external filings, reflects adjusted Operating Income divided by Total Revenue net of distribution and servicing expenses and amortisation of deferred sales commissions.

[2] Organic Revenue Growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified Staff

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as Identified Staff, being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes in significant influence function lists;
- changes in role responsibilities; and
- revised regulatory direction.

Quantitative Remuneration Disclosure

The Manager is required under the Directive to make quantitative disclosures of remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) staff who are senior management; and (c) staff who have the ability to materially affect the risk profile of the Fund, including individuals who, although not directly employed by the Manager, are assigned by their employer to carry out services directly for the Manager.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Fund is included in the aggregate figures disclosed.

Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. Therefore, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS-related business in respect of the Manager's financial year ending 31 December 2021 is GBP 26.0 million. This figure is comprised of fixed remuneration of GBP 2.1 million and variable remuneration of GBP 23.9 million. There were a total of 87 beneficiaries of the remuneration described above.

The amount of the aggregate remuneration awarded by the Manager, which has been attributed to the Manager's UCITS-related business in respect of the Manager's financial year ending 31 December 2021, to its senior management was GBP 0.1 million, and to other members of its staff whose actions have a material impact on the risk profile of the Fund was GBP 25.9 million.

Portfolio Statement
at 28 February 2022

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
BONDS – 24.62%; 28.2.2021 22.26%			
UK Sterling Denominated Corporate Bonds – 3.89%; 28.2.2021 2.27%			
£10,000,000	Australia & New Zealand Banking 1.42063% 1/2/2023	10,086	0.54
£20,000,000	Bank of Nova Scotia 1.42568% 3/2/2023	20,150	1.08
£20,000,000	Canadian Imperial Bank of Commerce 1.3802% 17/1/2023	20,155	1.08
£12,000,000	National Bank of Canada 1.44533% 14/2/2023	12,101	0.65
£10,000,000	Royal Bank of Canada 1.40925% 25/1/2023	10,085	0.54
		72,577	**3.89**
UK Sterling Denominated ECP Bonds – 20.73%; 28.2.2021 19.99%			
£20,000,000	Agence Centrale Organismes 0% 19/4/2022	19,982	1.07
£10,000,000	Albion 0% 7/3/2022	9,998	0.54
£2,000,000	Albion Capital Corporation 0% 21/3/2022	1,999	0.11
£10,000,000	Erste Abwicklungsanstalt 0% 21/3/2022	9,997	0.54
£20,000,000	FMS Wertmanagement 0% 7/4/2022	19,988	1.07
£40,000,000	Jyske Bank 0% 19/4/2022	39,975	2.14
£15,000,000	Kreditanstalt Fur Wiedera 0% 19/4/2022	14,991	0.80
£25,000,000	Landeskreditbank Baden-Wurtt 0% 19/4/2022	24,985	1.34
£10,000,000	Managed 0% 22/3/2022	9,996	0.54
£23,400,000	Managed and Enhanced Tap 0% 2/3/2022	23,400	1.26
£2,000,000	Managed and Enhanced Tap 0% 24/3/2022	1,999	0.11
£5,000,000	Managed and Enhanced Tap 0% 28/3/2022	4,998	0.27
£7,000,000	Manhatten Asset Funding 0% 21/3/2022	6,997	0.37
£10,000,000	Mont Blanc Capital 0% 15/3/2022	9,997	0.54
£60,000,000	Municipality Finance 0% 21/3/2022	59,991	3.22
£4,000,000	Municipality Finance 0% 21/3/2022	3,999	0.21
£8,000,000	Nordea Bank 0% 27/10/2022	7,934	0.43
£6,000,000	NRW Bank 0% 11/4/2022	5,995	0.32
£20,000,000	NRW Bank 0% 12/4/2022	19,984	1.07
£10,000,000	Paccar 0% 16/3/2022	9,997	0.54
£5,000,000	Paccar Financial Europe 0% 4/3/2022	4,999	0.27
£8,000,000	Paccar Financial Europe 0% 8/3/2022	7,999	0.43
£20,000,000	Paccar Financial Europe 0% 30/3/2022	19,990	1.07
£15,000,000	Sumitomo Mitsui Banking 0% 15/3/2022	14,997	0.80
£10,000,000	Sumitomo Mitsui Banking 0% 21/3/2022	9,997	0.54
£5,000,000	Svenska Handelsbanken 0% 27/4/2022	4,995	0.27
£10,000,000	UBS 0% 17/3/2022	9,998	0.54
£2,000,000	UBS London 0% 11/4/2022	1,999	0.11
£4,000,000	UBS London 0% 19/4/2022	3,998	0.21
		386,174	**20.73**
Certificate of deposits – 76.31%; 28.2.2021 73.82%			
£150,000,000	Banco Santander 0.42% Certificate of Deposit 28/2/2022	150,000	8.05
£15,000,000	Bank of America 0% Certificate of Deposit 3/8/2022	14,927	0.80
£35,000,000	Banque FE 0% Certificate of Deposit 1/3/2022	34,998	1.88
£28,000,000	Banque Federative Du Credit Mutuel 0% Certificate of Deposit 1/7/2022	27,908	1.50
£20,000,000	BNP Paribas London Branch 0.17% Certificate of Deposit 10/3/2022	19,997	1.07
£125,041,205	BNP Paribas London Branch 0.42% Certificate of Deposit 28/2/2022	125,041	6.71
£15,000,000	BNP Paribas London Branch 0.69% Certificate of Deposit 9/5/2022	14,998	0.80
£10,000,000	Commonwealth Bank of Australia 0.255% Certificate of Deposit 25/4/2022	9,996	0.54
£170,071,973	Cooperatieve Rabobank 0.45% Certificate of Deposit 28/2/2022	170,072	9.13
£60,019,203	Credit Agricole Corporate 0.41% Certificate of Deposit 28/2/2022	60,019	3.22
£25,000,000	DNB Bank 0% Certificate of Deposit 19/4/2022	24,984	1.34
£12,000,000	DUP 12401 0% Certificate of Deposit 5/7/2022	11,959	0.64

Portfolio Statement continued

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
£10,000,000	Goldman Sachs Step Compliant 0% Certificate of Deposit 19/4/2022	9,992	0.54
£10,000,000	Handelsbanken 0% Certificate of Deposit 9/5/2022	9,990	0.54
£10,000,000	Handelsbanken 0.7% Certificate of Deposit 11/5/2022	10,000	0.54
£20,000,000	HSBC Bank 0% Certificate of Deposit 4/3/2022	20,004	1.07
£25,000,000	ING Bank 0% Certificate of Deposit 3/5/2022	24,970	1.34
£100,045,983	ING Bank 0.4% Certificate of Deposit 28/2/2022	100,046	5.37
£73,000,000	KBC Bank 0.42% Certificate of Deposit 28/2/2022	73,000	3.92
£10,000,000	Mitsubishi UFJ Trust & Bank 0.4% Certificate of Deposit 14/4/2022	9,997	0.54
£15,000,000	Mizuho Bank 0% Certificate of Deposit 16/3/2022	14,996	0.80
£15,000,000	Mizuho Bank 0.5% Certificate of Deposit 17/3/2022	15,000	0.80
£120,064,488	MUFG Bank 0.43% Certificate of Deposit 28/2/2022	120,065	6.45
£30,000,000	MUFG Bank 0.5% Certificate of Deposit 18/3/2022	29,999	1.61
£20,000,000	National Australia Bank 0.29% Certificate of Deposit 6/6/2022	19,970	1.07
£85,000,000	Nationwide Building Society 0.45% Certificate of Deposit 4/3/2022	85,000	4.56
£8,000,000	Nordea 0% Certificate of Deposit 28/10/2022	7,933	0.43
£5,000,000	Norinchukin Bank 0% Certificate of Deposit 4/4/2022	4,997	0.27
£7,000,000	Norinchukin Bank 0% Certificate of Deposit 5/5/2022	6,990	0.38
£25,000,000	Skandinaviska Enskilda Bank 0.05% Certificate of Deposit 19/4/2022	24,985	1.34
£15,000,000	Standard Chartered Bank 0% Certificate of Deposit 5/5/2022	14,981	0.80
£15,000,000	Standard Chartered Bank 0% Certificate of Deposit 1/6/2022	14,971	0.80
£15,000,000	Standard Chartered Bank 0.72% Certificate of Deposit 16/5/2022	15,001	0.81
£15,000,000	Standard Chartered Bank 0.84% Certificate of Deposit 16/6/2022	15,003	0.81
£50,000,000	Sumitomo Mitsui Banking 0% Certificate of Deposit 17/3/2022	49,987	2.68
£25,000,000	Sumitomo Mitsui Trust Bank 0.7% Certificate of Deposit 9/5/2022	25,001	1.34
£30,000,000	The Toronto Dominion Bank 0.8% Certificate of Deposit 21/10/2022	29,913	1.61
£4,000,000	United Overseas Bank 0.3% Certificate of Deposit 6/4/2022	3,999	0.21
		1,421,689	**76.31**
	Portfolio of investments	**1,880,440**	**100.93**

CASH EQUIVALENTS

Short-term Money Market Funds – 0.00%; 28.2.2021 4.18%

	Market Value £000's	% of Total Net Assets
Net other liabilities	(17,244)	(0.93)
Total net assets	**1,863,196**	**100.00**

Unless otherwise stated, all securities are either listed on a recognised exchange or traded on an eligible securities market.

Statement of Total Return

for the year ended 28 February 2022

	Notes	£000's	For the year to 28.2.2022 £000's	£000's	For the year to 28.2.2021 £000's
Income					
Net capital losses	3		(1,262)		(355)
Revenue	4	3,107		5,517	
Expenses	5	(2,445)		(4,308)	
Interest payable and similar charges	6	(8)		(14)	
Net revenue before taxation		654		1,195	
Taxation	7	–		–	
Net revenue after taxation			654		1,195
Total return before distributions			(608)		840
Distributions	8		(654)		(1,195)
Change in net assets attributable to unitholders from investment activities			**(1,262)**		**(355)**

Statement of Change in Net Assets Attributable to Unitholders

for the year ended 28 February 2022

	£000's	For the year to 28.2.2022 £000's	£000's	For the year to 28.2.2021 £000's
Opening net assets attributable to unitholders		2,035,826		2,292,692
Amounts receivable on issue of units	744,681		2,346,095	
Amounts payable on cancellation of units	(916,595)		(2,603,635)	
		(171,914)		(257,540)
Change in net assets attributable to unitholders from investment activities		(1,262)		(355)
Retained distribution on accumulation units		546		1,029
Closing net assets attributable to unitholders		**1,863,196**		**2,035,826**

Balance Sheet

at 28 February 2022

	Notes	28.2.2022 £000's	28.2.2021 £000's
Assets:			
Fixed assets			
– Investment assets		1,880,440	1,955,940
Current assets			
– Debtors	9	14,162	6,146
– Cash and bank balances		304	463
– Cash equivalents	10	–	85,036
Total assets		**1,894,906**	**2,047,585**
Liabilities:			
Creditors			
– Distributions payable		(38)	(14)
– Other creditors	11	(31,672)	(11,745)
Total liabilities		**(31,710)**	**(11,759)**
Net assets attributable to unitholders		**1,863,196**	**2,035,826**

G D Bamping (Director)
M T Zemek (Director)
BlackRock Fund Managers Limited
16 May 2022

Notes to Financial Statements

for the year ended 28 February 2022

1. Accounting and Distribution Policies

Accounting Policies

(a) The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice for Authorised Funds (the "SORP") issued by the Investment Management Association (now known as the Investment Association) in May 2014 and amended in June 2017.

The financial statements have been prepared on a going concern basis in accordance with UK GAAP and the SORP. The Fund is able to meet all of its liabilities from its assets. The performance, marketability and risks of the Fund are reviewed on a regular basis throughout the financial period. Therefore, the Directors of the Manager believe that the Fund will continue in operational existence for a period of at least one year from the date of approval of the financial statements and is financially sound. The Directors of the Manager are satisfied that, at the time of approving the financial statements, and following consideration of COVID-19, it is appropriate to continue to adopt the going concern basis in preparing the financial statements of the Fund.

(b) Bank interest is recognised on an accruals basis.

Revenue from fixed interest securities and European Commercial Paper ("ECP") bonds is recognised on an effective interest rate basis.

Accrued interest purchased and sold on interest bearing securities is excluded from the capital cost of these securities and dealt with as part of the revenue of the Fund.

The Fund receives Manager's charge rebates from BlackRock related investments in the normal course of business. These are recognised on an accruals basis and are treated as revenue, unless it is the policy of the underlying fund to charge its fees to capital, in which case these rebates will be recognised as capital.

(c) Underwriting commission is wholly recognised as revenue when the issue takes place, except where the Fund is required to take up some or all of the shares underwritten, in which case an appropriate proportion of the commission received is deducted from the cost of those shares.

(d) All expenses, except those relating to the purchase and sale of investments are charged against revenue. All expenses are recognised on an accruals basis.

(e) Provision for corporation tax is made at the current rate on the excess of taxable revenue over allowable expenses. Provision is made on all material timing differences arising from the different treatment of items for accounting and tax purposes. A deferred tax asset is recognised only to the extent that it is considered more likely than not that there will be taxable profits in the future against which the asset can be offset.

(f) Where the end of the accounting year on the Balance Sheet date is a business day, the valuation point is 12 noon, and where the end of the accounting year on the Balance Sheet date is a non-business day, the valuation point is end of day. All investments are valued at their fair value as at the end of the accounting period. In the case of an investment which is not quoted, listed or dealt in on a recognised market, or in respect of which a listed, traded or dealt price or quotation is not available at the time of valuation, the fair value of such investment shall be estimated with care and in good faith by a competent professional person, body, firm or corporation including the Manager's pricing committee and such fair value shall be determined on the basis of the probable realisation value of the investment. The Manager shall be entitled to adopt an alternative method of valuing any particular asset if it considers that the methods of valuation set out above do not provide a fair valuation of a particular asset or liability.

Investments in dual priced Collective Investment Schemes have been valued at bid price market values, defined as fair value, which is 12 noon where this is a business day or end of day where this is a non-business day at the end of the accounting period, in accordance with the valuation point of the underlying fund. Investments in single priced Collective Investment Schemes have been valued at market values, defined as fair value, which is 12 noon where this is a business day or end of day where this is a non-business day at the end of the accounting period, in accordance with the valuation point of the underlying fund.

(g) Any transactions in foreign currencies are translated into Sterling at the rates of exchange ruling on the date of any such transaction. Assets and liabilities in foreign currencies are translated into Sterling at the exchange rates ruling at the end of the accounting period. Revenue items in foreign currencies are translated into Sterling at the exchange rate when the revenue is received.

(h) Where appropriate, certain permitted financial instruments such as derivatives are used for efficient portfolio management. Where such financial instruments are used to protect or enhance revenue, the revenue and expenses derived therefrom are included in ‘Revenue’ in the Statement of Total Return. Where such financial instruments are used to protect or enhance capital, the gains and losses derived therefrom are included in ‘Net capital losses’ in the Statement of Total Return.

(i) Cash and bank balances consist of deposits held on call with banks and cash held with clearing brokers and counterparties. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Distribution Policies

(j) All of the net revenue available for distribution at the final accounting period end will be distributed to unitholders as a dividend with the balance attributable to accumulation unitholders retained within the Fund. In order to conduct a controlled dividend flow to unitholders, interim distributions may be made at the Manager’s discretion, up to a maximum of the distributable revenue available for the period. Should expenses and taxation together exceed revenue, there will be no distribution and the shortfall will be met from capital.

(k) The Fund has satisfied the qualifying investments tests as specified in S468L ICTA 1988 at all times throughout the distribution period. As such, any revenue available for distribution will be paid as an interest distribution.

2. Financial Instruments and Risks

The Fund’s investment activities expose it to the various types of risk which are associated with the financial instruments and markets in which it invests. The following information is not intended to be a comprehensive summary of all risks and investors should refer to the Prospectus for a more detailed discussion of the risks inherent in investing in the Fund.

Risk management framework

The Manager has delegated the day-to-day administration of the investment programme to the Investment Manager. The Investment Manager is also responsible for ensuring that the Fund is managed within the terms of its investment guidelines and limits set out in the Prospectus. The Manager reserves to itself the investment performance, product risk monitoring and oversight and the responsibility for the monitoring and oversight of regulatory and operational risk for the Fund.

The Manager has appointed a risk manager who has responsibility for the daily risk management process with assistance from key risk management personnel of the Investment Manager, including members of the BlackRock Risk and Quantitative Analysis Group ("RQA Group") which is a centralised group which performs an independent risk management function. The RQA Group independently identifies, measures and monitors investment risk. The RQA Group tracks the actual risk management practices being deployed across the different funds. By breaking down the components of the process, the RQA Group has the ability to determine if the appropriate risk management processes are in place for the Fund. This captures the risk management tools employed, how the levels of risk are controlled, ensuring risk/return is considered in portfolio construction and reviewing outcomes.

The principal risk exposure of the Fund is set out as follows:

(a) Market risk

Market risk arises mainly from uncertainty about future values of financial instruments influenced by other price, currency and interest rate movements. It represents the potential loss the Fund may suffer through holding market positions in the face of market movements. The Fund is exposed to market risk by virtue of its investments in corporate and ECP bonds.

A key metric the RQA Group uses to measure market risk is Value-at-Risk ("VaR") which encompasses price, currency and interest rate risk. VaR is a statistical risk measure that estimates the potential portfolio loss from adverse market moves in an ordinary market environment. VaR analysis reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis.

The VaR calculations are based on an adjusted historical simulation model with a confidence level of 99%, a holding period of one day and a historical observation period of not less than one year (250 days). A VaR number is defined at a specified probability and a specified time horizon. A 99% one day VaR means that the expectation is that 99% of the time over a one day period the Fund will lose less than this number in percentage terms. Therefore, higher VaR numbers indicate higher risk.

It is noted that the use of the VaR methodology has limitations, namely that the use of historical market data as a basis for estimating future events does not encompass all possible scenarios, particularly those that are of an extreme nature and that the use of a specified confidence level (e.g. 99%) does not take into account losses that occur beyond this level. There is some probability that the loss could be greater than the VaR amounts. These limitations and the nature of the VaR measure mean that the Fund can neither guarantee that losses will not exceed the VaR amounts indicated, nor that losses in excess of the VaR amounts will not occur more frequently.

The one day VaR as at 28 February 2022 and 28 February 2021 based on a 99% confidence level was 0.01% and 0.01% respectively.

i) Market risk arising from foreign currency risk

Exposure to foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The net assets of the Fund are denominated wholly in Sterling, therefore the Balance Sheet and Statement of Total Return will not be directly affected by currency movements.

ii) Market risk arising from other price risk

Exposure to other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions, or other events could have a significant impact on the Fund and market prices of its investments.

The coronavirus outbreak has had a profound impact on all aspects of society in recent years. While there is a growing consensus in developed economies that the worst of the impact is now over, there is an expectation that travel restrictions, enhanced health screenings at ports of entry and elsewhere, disruption of and delays in healthcare service preparation and delivery, cancellations, supply chain disruptions, and lower consumer demand will create ongoing challenges. While widescale vaccination programmes are now in place in many countries and are having a positive effect, the impact of COVID-19 continues to adversely affect the economies of many nations across the globe and this impact may be greater where vaccination rates are lower, such as in certain emerging markets. Although it is difficult to make timing predictions, it is expected that the economic effects of COVID-19 will continue to be felt for a period after the virus itself has moved from being pandemic to endemic in nature, and this in turn may continue to impact investments held by the Fund.

The Fund is exposed to other price risk arising from its investments. The exposure of the Fund to other price risk is the market value of the investments held as shown in the Portfolio Statement of the Fund.

Management of other price risk

The Investment Manager manages the Fund's other price risk on a daily basis in accordance with the Fund's investment objective.

By diversifying the portfolio, where this is appropriate and consistent with the Fund's objectives, the risk that a price change of a particular investment will have a material impact on the Net Asset Value ("NAV") of the Fund is minimised. The investment concentrations within the portfolio are disclosed in the portfolio statement by investment type.

iii) Market risk arising from interest rate risk

Exposure to interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Fund is exposed to interest rate risk on its cash and bank balances held at The Bank of New York Mellon (International) Limited and its investments in fixed and floating rate interest bearing securities where the value of these securities may fluctuate as a result of a change in interest rates. Cash held on deposit at The Bank of New York Mellon (International) Limited receives/incurs interest at the prevailing daily rate which may be negative depending on the currency in which the cash is held.

Management of interest rate risk

Interest rate risk exposure is managed by constantly monitoring the position for deviations outside a pre-determined tolerance level and, when necessary, rebalancing back to the original desired parameters.

(b) Counterparty credit risk

Exposure to counterparty credit risk

Counterparty credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Fund is exposed to counterparty credit risk from the parties with which they trade and will bear the risk of settlement default.

Management of counterparty credit risk

Counterparty risk is monitored and managed by BlackRock's RQA Counterparty & Concentration Risk Team. The team is headed by BlackRock's Chief Counterparty Credit Officer who reports directly to the Global Head of RQA. Credit authority resides with the Chief Counterparty Credit Officer and selected team members to whom specific credit authority has been delegated. As such, counterparty approvals may be granted by the Chief Counterparty Credit Officer or by identified RQA Credit Risk Officers who have been formally delegated authority by the Chief Counterparty Credit Officer as deemed appropriate.

BlackRock's RQA Counterparty & Concentration Risk Team completes a formal review of each new counterparty, monitors and reviews all approved counterparties on an ongoing basis and maintains an active oversight of counterparty exposures.

The Manager maintains a list of approved counterparties. This list is regularly monitored and revised for changes based on the counterparty's creditworthiness, market reputation and expectations of future financial performance. Transactions will only be opened with financial intermediaries on the approved counterparties list.

i) Trustee and Custodian

The Fund's Trustee and Custodian is The Bank of New York Mellon (International) Limited (the "Trustee" and "Custodian").

All of the investments of the Fund are held by the Custodian at year end. Investments are segregated from the assets of the Custodian, with ownership rights remaining with the Fund. Bankruptcy or insolvency of the Custodian may cause the Fund's rights with respect to its investments held by the Custodian to be delayed or limited. The maximum exposure to this risk is the total amount of equity and bond investments disclosed in the portfolio statement.

The Fund will be exposed to the credit risk of the Custodian, or any depositary used by the Trustee regarding cash balances held in accounts with same. In the event of insolvency or bankruptcy of the Custodian or any depositary used by the Trustee, the Fund will be treated as a general creditor of the Trustee.

Management of counterparty credit risk related to the Trustee and Custodian

To mitigate the Fund's credit risk with respect to the Trustee, the Investment Manager of the Fund employs specific procedures to ensure that the Trustee employed is a reputable institution and that the associated credit risk is acceptable to the Fund. The Fund only transacts with counterparties that are regulated entities subject to prudential supervision, or with high credit-ratings assigned by international credit-rating agencies.

The long term credit rating of the parent company of the Trustee and Custodian, The Bank of New York Mellon Corporation, as at 28 February 2022 was A (28 February 2021: AA-) (Standard & Poor's rating).

ii) Counterparties

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Counterparty credit risk arising on transactions with brokers relates to transactions awaiting settlement. Risk relating to unsettled transactions is considered small due to the short settlement period involved and the high credit quality of the brokers used.

Management of counterparty credit risk related to Counterparties

The Manager monitors the credit rating and financial position of the brokers used to further mitigate this risk.

iii) Debt securities

Issuer credit risk is the default risk of one of the issuers of any securities held by the Fund.

Bonds or other debt securities involve credit risk to the issuer which may be evidenced by the issuer's credit rating. Securities which are subordinated and/or have a higher credit risk have a greater possibility of default than more highly rated securities. The Fund invests into sovereign debt which exposes the Fund to the risk that the issuer of the bonds may default on interest or principal payments.

Management of counterparty credit risk related to debt securities

To manage this risk the Investment Manager invests in a wide range of securities, subject to the investment objective of the Fund and monitors the credit ratings of the investments as disclosed in the portfolio statement. The ratings of the debt securities are continually monitored by the BlackRock Portfolio Management Group.

28 February 2022

Investment grade %	Non-investment grade %	Not rated %	Total %
100.93	–	–	100.93

28 February 2021

Investment grade %	Non-investment grade %	Not rated %	Total %
96.08	–	–	96.08

(c) Liquidity risk

Exposure to liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulties in meeting its obligations associated with financial liabilities.

Liquidity risk to the Fund arises from the redemption requests of unitholders and the liquidity of the underlying investments the Fund is invested in. The Fund's unitholders may redeem their units on the close of any daily dealing deadline for cash equal to a proportionate share of the Fund's NAV. The Fund is therefore potentially exposed to the liquidity risk of meeting the unitholders' redemptions and may need to sell assets at prevailing market prices to meet liquidity demands.

The Fund invests primarily in fixed interest securities with an emphasis in the UK, which is typically considered to be a territory operating with high levels of liquidity. From time to time, however, market liquidity may be affected by economic events. A security may be deemed illiquid due to a lack of trading volume in the security or if the security is privately placed and not traded in any public market or is otherwise restricted from trading.

All financial liabilities including distributions payable held by the Fund as at 28 February 2022 and 28 February 2021, based on contractual maturities, fall due within one to three months.

Management of liquidity risk

Liquidity risk is minimised by holding sufficient liquid investments which can be readily realised to meet liquidity demands.

At times of excessive redemptions the Manager may decide to defer redemptions at any valuation point to the next valuation point where the requested aggregate redemptions exceed 10 per cent of the Fund's NAV. This will therefore allow the Manager to protect the interests of continuing unitholders by allowing the Manager to match the sale of scheme property to the level of redemptions. This should reduce the impact of dilution on the Fund. All unitholders who have sought to redeem units at any valuation point at which redemptions are deferred will be treated consistently and any redemption requests received in the meantime will not be processed until the redemption requests that have been deferred to the subsequent valuation points have been processed.

The Fund's liquidity risk is managed on a daily basis by the Investment Manager in accordance with established policies and procedures in place. The portfolio managers review daily forward looking cash reports which project cash obligations. These reports allow them to manage the Fund's cash obligations.

(d) Valuation of financial instruments

The Fund classifies financial instruments measured at fair value using a fair value hierarchy. The fair value hierarchy has the following categories:

Level 1 − Unadjusted quoted prices for identical instruments in active markets

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis. The Fund does not adjust the quoted price for these instruments.

Level 2 − Valuation techniques using observable inputs other than quoted prices in level 1

This category includes instruments valued using quoted prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Valuation techniques used for non-standardised financial instruments such as OTC derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity determined inputs.

Level 3 − Valuation techniques using significant unobservable inputs

This category includes all instruments where the valuation techniques used include inputs not based on market data and these inputs could have a significant impact on the instrument's valuation.

This category also includes instruments that are valued based on quoted prices for similar instruments where significant entity determined adjustments or assumptions are required to reflect differences between the instruments and instruments for which there is no active market.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. The determination of what constitutes 'observable' inputs requires significant judgement by the Investment Manager. The Investment Manager considers observable inputs to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The table below is an analysis of the Fund's investment assets and investment liabilities measured at fair value at the Balance Sheet date.

	Level 1 £000's	Level 2 £000's	Level 3 £000's	Total £000's
28 February 2022				
Investment assets	–	1,880,440	–	1,880,440
Investment liabilities	–	–	–	–
28 February 2021				
Investment assets	–	1,955,940	–	1,955,940
Investment liabilities	–	–	–	–

(e) Global exposure

The Manager is required by the COLL Sourcebook to employ a risk management process in respect of the Fund which enables it to accurately monitor and manage the global exposure from Financial Derivative Instruments ("FDIs").

The Manager uses a methodology known as the Commitment Approach in order to measure the global exposure of the Fund. The Commitment Approach is a methodology that aggregates the underlying market or notional values of FDIs to determine the degree of global exposure of the Fund to FDIs. In accordance with the COLL Sourcebook, global exposure for a fund utilising the Commitment Approach must not exceed 100% of the Fund's NAV. The calculation of global exposure represents only one element of the Fund's risk management process and in that respect the Manager will continue to report VaR as a market risk measure to the Board of Directors.

The Fund did not hold any FDIs at 28 February 2022 and 28 February 2021.

3. Net Capital Losses

	For the year to 28.2.2022 £000's	For the year to 28.2.2021 £000's
The net capital losses comprise:		
Losses on non-derivative securities	(1,253)	(346)
Custodian transaction costs	(9)	(9)
Net capital losses	**(1,262)**	**(355)**

4. Revenue

	For the year to 28.2.2022 £000's	For the year to 28.2.2021 £000's
Interest from certificates of deposit	1,710	1,862
Interest from overseas fixed interest securities	810	3,084
Interest from UK bank deposits	–	9
Interest from UK fixed interest securities	–	149
Revenue from short-term money market funds	587	413
Total revenue	**3,107**	**5,517**

5. Expenses

	For the year to 28.2.2022 £000's	For the year to 28.2.2021 £000's
Payable to the Manager or associates of the Manager:		
– Annual service charge	700	1,099
– Manager's charge	2,878	5,500
– Manager's charge and other expenses rebates*	(1,366)	(2,703)
	2,212	3,896
Other expenses:		
– Audit fee	7	6
– Audit fee rebates#	(7)	(6)
– Safe custody fees	18	147
– Trustee's fees	215	265
	233	412
Total expenses	**2,445**	**4,308**

* Due to many money market instruments available for investment by the Fund exhibiting low yields, the Manager has agreed to reduce management fees collected from the Fund by the amount required to maintain the capital value of units in issue on each business day. This policy came into effect in November 2012.

The Manager, in line with the Prospectus will pay the audit fees and any expenses of the Auditor and such professional advisers until further notice. This amount relates to fees incurred in the current and previous years which are to be refunded by the Manager.

6. Interest Payable and Similar Charges

	For the year to 28.2.2022 £000's	For the year to 28.2.2021 £000's
Interest on bank overdrafts	8	14
Total interest payable and similar charges	**8**	**14**

7. Taxation

(a) Analysis of tax charge

	For the year to 28.2.2022 £000's	For the year to 28.2.2021 £000's
Corporation tax	–	–
Total tax charge [see note 7(b)]	**–**	**–**

(b) Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an authorised unit trust. The differences are explained below:

	For the year to 28.2.2022 £000's	For the year to 28.2.2021 £000's
Net revenue before taxation	654	1,195
Corporation tax at 20% (28 February 2021: 20%)	131	239
Effects of:		
Tax deductible interest distributions	(131)	(239)
Total tax charge [see note 7(a)]	**–**	**–**

8. Distributions

	For the year to 28.2.2022 £000's	For the year to 28.2.2021 £000's
First distribution	94	991
Second distribution	128	183
Third distribution	100	52
Final distribution	344	56
	666	1,282
Add: Amounts deducted on cancellation of units	5	167
Less: Amounts received on issue of units	(17)	(254)
Distributions	**654**	**1,195**

Details of the interim and final distributions per unit are set out in the tables on page 19.

9. Debtors

	28.2.2022 £000's	28.2.2021 £000's
Accrued revenue	260	93
Amounts receivable for issue of units	13,902	6,053
Total debtors	**14,162**	**6,146**

10. Cash Equivalents

	28.2.2022 £000's	28.2.2021 £000's
Investment in short-term money market funds	–	85,036
Total cash equivalents	**–**	**85,036**

11. Other Creditors

	28.2.2022 £000's	28.2.2021 £000's
Accrued Annual service charge	98	328
Accrued Audit fee	6	6
Accrued Audit fee rebates	(13)	(5)
Accrued Manager's charge	1,148	1,336
Accrued Manager's charge rebates	(562)	(1,223)
Accrued Safe custody fees	7	51
Accrued Trustee's fee	106	95
Amounts payable for cancellation of units	7,481	9,155
Custodian transaction costs	1	2
Purchases awaiting settlement	23,400	2,000
Total other creditors	**31,672**	**11,745**

12. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (28 February 2021: £Nil).

13. Related Parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The following entities were related parties of the Fund during the year ended 28 February 2022:

Manager/Registrar: BlackRock Fund Managers Limited
Investment Manager: BlackRock Investment Management (UK) Limited

The ultimate holding company of the Manager, Registrar and Investment Manager is BlackRock Inc. ("BlackRock"), a company incorporated in Delaware, USA.

13. Related Parties continued

The Manager acts as either principal or agent for the Trustee in respect of all transactions of units of the Fund. The aggregate monies received through issue and paid through cancellation of units are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and note 8.

As at 28 February 2022 and 28 February 2021, none of the unitholders:

(i) are funds managed by the BlackRock Group or are affiliates of BlackRock Inc. or

(ii) are investors, other than those included in (i) above, who held 51% or more of the voting units in issue in the Fund and are as a result, considered to be a related party to the Fund.

14. Portfolio Transaction Costs

For the year ended 28 February 2022

		Direct Transaction Costs			
Purchases (excluding derivatives)	**Transaction Value £000's**	**Commissions £000's**	**%**	**Taxes £000's**	**%**
Debt instruments	12,724,673	–	–	–	–
Total purchases	**12,724,673**	**–**		**–**	
Total purchases including transaction costs	**12,724,673**				

		Direct Transaction Costs			
Sales (excluding derivatives)	**Transaction Value £000's**	**Commissions £000's**	**%**	**Taxes £000's**	**%**
Debt instruments	12,224,288	–	–	–	–
Total sales	**12,224,288**	**–**		**–**	
Total sales net of transaction costs	**12,224,288**				
Total transaction costs		**–**		**–**	
Total transaction costs as a % of average net assets		**0.00%**		**0.00%**	

14. Portfolio Transaction Costs continued

For the year ended 28 February 2021

		Direct Transaction Costs			
Purchases (excluding derivatives)	**Transaction Value £000's**	**Commissions £000's**	**%**	**Taxes £000's**	**%**
Debt instruments	20,925,532	–	–	–	–
Total purchases	**20,925,532**	**–**		**–**	
Total purchases including transaction costs	**20,925,532**				

		Direct Transaction Costs			
Sales (excluding derivatives)	**Transaction Value £000's**	**Commissions £000's**	**%**	**Taxes £000's**	**%**
Debt instruments	21,285,600	–	–	–	–
Total sales	**21,285,600**	**–**		**–**	
Total sales net of transaction costs	**21,285,600**				
Total transaction costs		**–**		**–**	
Total transaction costs as a % of average net assets		**0.00%**		**0.00%**	

The above analysis covers direct transaction costs incurred by the Fund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

For the Fund's investment transactions in debt and money market instruments any applicable transaction charges form part of the dealing spread for these instruments. Transactions in money market instruments to manage the Fund's daily liquidity position are excluded from the analysis.

At the Balance Sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.01% (28 February 2021: 0.00%).

15. Units in Issue

The movement in units in issue for the year ended 28 February 2022 is as follows:

	A Income Units	A Accumulation Units	X Income Units	X Accumulation Units
Balance at the beginning of the year	6,338,682	134,992,589	70,619,406	205,272,282
Issued during the year	7,249,185	56,282,668	37,969,975	45,125,537
Cancelled during the year	(6,618,714)	(94,222,722)	(42,248,056)	(5,158,976)
Converted during the year	(34,875)	(74,785)	–	–
Balance at the end of the year	**6,934,278**	**96,977,750**	**66,341,325**	**245,238,843**

15. Units in Issue continued

	D Income Units	D Accumulation Units	S Income Units	S Accumulation Units
Balance at the beginning of the year	106,771,723	54,814,508	3,048,267	37,223,634
Issued during the year	6,650,359	29,594,397	1,803,453	16,145,186
Cancelled during the year	(96,780,481)	(40,279,859)	(2,135,948)	(23,874,265)
Converted during the year	35,694	56,500	–	288,579
Balance at the end of the year	**16,677,295**	**44,185,546**	**2,715,772**	**29,783,134**

	OA Income Units	OA Accumulation Units	OD Income Units	OD Accumulation Units
Balance at the beginning of the year	100	100	100	100
Issued during the year	–	–	46,775	5,668,405
Cancelled during the year	–	–	(33,571)	(3,519,542)
Converted during the year	–	–	–	–
Balance at the end of the year	**100**	**100**	**13,304**	**2,148,963**

	OS Income Units	OS Accumulation Units
Balance at the beginning of the year	18,151,400	1,112,997,040
Issued during the year	11,216,136	400,520,696
Cancelled during the year	(19,677,637)	(388,538,413)
Converted during the year	(805)	(248,904)
Balance at the end of the year	**9,689,094**	**1,124,730,419**

Revenue is allocated each day pro rata to the capital value of assets attributable to each class and taxation is computed by reference to the net revenue after expenses attributable to each class. The distribution per unit class is given in the distribution table. All unit classes have the same rights on winding up.

16. Post Balance Sheet Events

There have been no significant events subsequent to the year end, which, in the opinion of the Manager, may have had an impact on the Financial Statements for the year ended 28 February 2022.

Statement of Manager's Responsibilities

The Manager is required by the rules of the COLL Sourcebook to prepare the financial statements for each financial year. These financial statements must be prepared in accordance with generally accepted accounting standards in the United Kingdom to give a true and fair view of the state of affairs of the Fund at the year end and of the net revenue and net losses for the year. In preparing these financial statements the Manager is required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Fund will continue in operation.

The financial statements should comply with the disclosure requirements of the Statement of Recommended Practice (the "SORP") for Authorised Funds issued by the Investment Management Association (subsequently The Investment Association) and must comply with any relevant provisions of the Trust Deed.

The Manager is responsible for keeping such accounting records as are necessary to enable it to ensure that the financial statements comply with the COLL Sourcebook, the SORP and the Trust Deed.

Statement of the Trustee's Responsibilities in Respect of the Fund and Report of the Trustee to the Unitholders of the Fund for the Year Ended 28 February 2022

The Depositary in its capacity as Trustee of the Fund must ensure that the Fund is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Scheme documents") as detailed below.

The Trustee must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Fund and its investors.

The Trustee is responsible for the safekeeping of all the custodial assets and maintaining a record of all other assets of the Fund in accordance with the Regulations.

The Trustee must ensure that:

- the Fund's cash flows are properly monitored and that cash of the Fund is booked in cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Fund are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Fund's assets is remitted to the Fund within the usual time limits
- the Fund's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM"), which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Trustee also has a duty to take reasonable care to ensure that the Fund is managed in accordance with the Regulations and the Scheme documents of the Fund in relation to the investment and borrowing powers applicable to the Fund.

Having carried out such procedures as we considered necessary to discharge our responsibilities as Trustee of the Fund, it is our opinion, based on the information available to us and the explanations provided, that, in all material respects the Fund, acting through the AFM:

(a) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Fund's units and the application of the Fund's income in accordance with the Regulations and the Scheme documents of the Fund; and

(b) has observed the investment and borrowing powers and restrictions applicable to the Fund in accordance with the Regulations and the Scheme documents of the Fund.

The Bank of New York Mellon
(International) Limited

London
16 May 2022

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Independent Auditor's Report to the Unitholders of BlackRock Cash Fund

Opinion

We have audited the financial statements of BlackRock Cash Fund ("the Fund") for the year ended 28 February 2022, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, the Balance Sheet, the related notes and the Distribution Tables, the Financial Instruments and Risks Disclosures and the accounting policies of the Fund, which include a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, FRS102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Fund as at 28 February 2022 and of the net revenue and the net capital losses on the scheme property of the Fund for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the "FRC") Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Conclusions relating to going concern

In auditing the financial statements of the Fund, we have concluded that the Manager's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Fund's ability to continue as a going concern for a period assessed by the Manager, which is at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Manager with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Fund's ability to continue as a going concern.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our audit report thereon. The Manager is responsible for the other information contained in the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our audit report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

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Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority (the "FCA")

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the FCA and the Trust Deed; and
- there is nothing to indicate that adequate accounting records have not been kept or that the financial statements are not in agreement with those records; and
- the information given in the Manager's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter in relation to which the Collective Investment Schemes Sourcebook of the FCA requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of the Manager

As explained more fully in the Manager's responsibilities statement set out on page 44, the Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to wind up or terminate the Fund or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Fund and determined that the most significant are United Kingdom Generally Accepted Accounting Practice (UK GAAP), Investment Management Association's Statement of Recommended Practice (IMA SORP), the FCA Collective Investment Schemes Sourcebook, the Trust Deed and the Prospectus.
- We understood how the Fund is complying with those frameworks through discussions with the Manager and the Fund's administrators and a review of the Fund's documented policies and procedures.
- We assessed the susceptibility of the Fund's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the Manager with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Fund.
- Due to the regulated nature of the Fund, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities including specialists where necessary to identify non-compliance with the applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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Use of our report

This report is made solely to the Fund's Unitholders, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the FCA. Our audit work has been undertaken so that we might state to the Fund's Unitholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's Unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Statutory Auditor

Edinburgh
16 May 2022

About us

BlackRock is a premier provider of asset management, risk management, and advisory services to institutional, intermediary, and individual clients worldwide. As of 31 March 2022, the firm manages £7.383 trillion across asset classes in separate accounts, mutual funds, other pooled investment vehicles, and the industry-leading iShares® exchange-traded funds.

Through BlackRock Solutions®, the firm offers risk management and advisory services that combine capital markets expertise with proprietarily-developed analytics, systems, and technology.

BlackRock serves clients in North and South America, Europe, Asia, Australia, Africa, and the Middle East. Headquartered in New York, the firm maintains offices in over 35 countries around the world.

Want to know more?

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