



# Annual report and audited financial statements

## BlackRock Charities Funds

- BlackRock Armed Forces Charities Growth & Income Fund
- BlackRock Catholic Charities Growth & Income Fund
- BlackRock Charities Growth & Income Fund
- BlackRock Charities UK Bond Fund
- BlackRock Charities UK Equity ESG Fund
- BlackRock Charities UK Equity Fund
- BlackRock Charities UK Equity Index Fund

# Contents

General Information	2
About the Trust	3
Trustee	3
Corporate Governance	3
The Advisory Committee	3
Charity Authorised Investment Fund	4
Charity Trustees' Investment Responsibilities	4
Fund Managers	4
Significant Events	4
Investment Report	5
Report of the Advisory Committee - BlackRock Armed Forces Charities Growth & Income Fund	17
Report of the Advisory Committee - BlackRock Catholic Charities Growth & Income Fund	18
Report on Remuneration	19
Accounting and Distribution Policies	25
Financial Instruments and Risks	28
BlackRock Armed Forces Charities Growth & Income Fund	44
BlackRock Catholic Charities Growth & Income Fund	68
BlackRock Charities Growth & Income Fund	91
BlackRock Charities UK Bond Fund	118
BlackRock Charities UK Equity ESG Fund	135
BlackRock Charities UK Equity Fund	150
BlackRock Charities UK Equity Index Fund	165
Statement of Manager's and Trustee's Responsibilities	191
Independent Auditor's Report	194
Supplementary Information	199

# General Information

## **Advisory Committee Members - BlackRock Armed Forces Charities Growth & Income Fund:**

Mr Guy Davies (Chairman)  
Mr Michael Baines  
Major General Adrian Lyons CBE  
Major General Ashley Truluck CB, CBE  
Colonel Paul Mitchell Air Vice-Marshal  
Air Vice-Marshall Chris Elliot CB, CBE  
Major General Martin Rutledge CB, OBE  
Major General Richard Semple CB  
Lieutenant General Sir Andrew Gregory KBE, CB  
Mrs Sara Wall Baade (resigned 18 November 2020)  
Mr Anthony Scott  
Mr James Duckworth-Chad  
Major General Sharon Nesmith (Resigned 2 February 2021)  
Mr Michael Adler TD  
Major General Paul Griffiths (appointed 2 February 2021)  
and Mr Jonathan Beatson-Hird (appointed 2 February 2021).

## **Advisory Committee Members - BlackRock Catholic Charities Growth & Income Fund:**

Mr Jonathan Waterfield (Chairman)  
Mr Simon O'Toole (resigned 2 March 2021)  
Mr Tom Breen  
Dom Patrick Fludder  
Father Robert Gay  
Sister Doreen Bradley (resigned 2 March 2021)  
and Sister Hannah Dwyer.

## **Manager, Registrar & Alternative Investment Fund Manager**

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") with permission to carry on the activities of managing an alternative investment fund in the United Kingdom. As such, the Manager has been appointed to be the alternative investment fund manager of the Funds, each of which is an alternative investment fund for the purpose of the Alternative Investment Fund Managers Directive.

\* Non-executive Director.

## **Directors of the Manager**

G D Bamping\* M B Cook (Resigned 30 October 2020) S Corrigan (Appointed 13 January 2021) W I Cullen\* D Edgar (Appointed 14 November 2020) B Harrison (Appointed 29 April 2021) R A R Hayes (Resigned 13 January 2021) A M Lawrence H N Mephram L E Watkins (Resigned 16 November 2020) 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  
Telephone: 020 7743 3000  
Dealing and Investor Services: 0800 44 55 22  
blackrock.co.uk

**For your protection, telephone calls are usually recorded.**

## About the Trust

The Trust is an authorised unit trust scheme established as an umbrella and authorised and regulated by the FCA as a CAIF and as a non-UCITS retail scheme for the purposes of the FCA Rules. The Trust was established on 1 April 2019 and was authorised by the FCA on 1 April 2019. The Trust's FCA product reference number is 839484. The Trust is a UK charity registered with the Commission with registration number 1182766.

### Cross sub-fund holdings within the Trust

As at 30 June 2021 and 30 June 2020 there were no cross sub-fund holdings within the Trust.

### Alternative Investment Fund Managers Directive (the "AIFMD")

BlackRock Fund Managers Limited (the "Manager") is authorised to manage and market the Funds, which are alternative investment funds, in accordance with the "AIFMD".

In this document, (other than in the section entitled 'Report on Remuneration'), the term "AIFMD" means, collectively, Directive 2011/61/EU, as supplemented by Commission Delegated Regulation (EU) No.231/2013, and as transposed by UK SI 2013/1773 and any other applicable national implementing measures in the United Kingdom including, without limitation, the rules contained in the FCA handbook of rules and guidance, each as may be amended or updated from time to time.

### Assessment of value

The FCA has introduced new requirements for UK authorised fund managers to consider whether the charges taken from a fund they manage are justified in the context of the overall service and value offered by that fund, and to report on those findings. 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 30 October 2020 in a composite report for all funds managed by BlackRock Fund Managers Limited subject to these requirements. The next annual assessment is due for publication by the end of October 2021.

## Corporate Governance

The Manager is responsible for the management and administration of the Funds (as further detailed in the Prospectus) except to the extent that such responsibilities are those of the Trustee. The Manager has delegated certain functions with respect to the portfolio management of the assets of the Funds, the performance of certain risk management functions and the distribution of units to BlackRock Investment Management (UK) Limited (the "Investment Manager") pursuant to an investment management agreement.

The Manager and Investment Manager meet twice a year with the Advisory Committee to review the performance of the Funds and to discuss the investment policies and objectives. The Trustee attends these meetings at least annually and submits reports on a quarterly basis. Any matters for decision which are outside the powers delegated to the Manager are discussed by the Manager and the Trustee.

### The Advisory Committees of the BlackRock Armed Forces Charities Growth & Income Fund and the BlackRock Catholic Charities Growth & Income Fund

The duties and powers of the Advisory Committees are set out in the Prospectus.

The Advisory Committees report on the discharge of their responsibilities in the Annual Report which are limited to a consultative function only.

## Charity Authorised Investment Fund

The Funds are Charity Authorised Investment Funds established and registered with the Commission and the FCA. Pursuant to section 97(1) of the Charities Act 2011 and the Funds' governing document, the Trust Deed, any charity established in England and Wales, and charities established in Scotland and Northern Ireland pursuant to the Charities Act 2006 (as amended from time to time) may invest in the Funds. Subject to any restrictions in the terms of the Trust Deed, or that may apply to an eligible charity, the trustees of any charity, large or small, may contribute the whole or any part of their investment property to it at any time. The Funds should not be regarded as short-term investments.

## Charity Trustees' Investment Responsibilities

The Commission requires trustees of charities to invest their assets only in investments authorised under the governing document of their charity or the Trustee Act 2000 if applicable. Trustees are required to invest prudently in order to achieve both income and/or capital growth. Furthermore, trustees are required to seek regular professional advice regarding their investments.

## Fund Managers

As at 30 June 2021, the Fund Managers of the Trust are Adam Ryan, Conan McKenzie, Lamiaa Chaabi, Simon Blundell, Ben Edwards, David Curtin, Adam Avigdori, David Goldman, Kieran Doyle and Jason Byrom.

## Significant Events

### Changes in the Directors of the Manager

M B Cook resigned as a Director effective 30 October 2020. D Edgar was appointed as a Director effective 14 November 2020. L E Watkins resigned as a Director effective 16 November 2020. R A R Hayes resigned as a Director effective 13 January 2021. S Corrigan was appointed as a Director effective 13 January 2021. B Harrison was appointed as a Director effective 29 April 2021.

### Outbreak of COVID-19

An outbreak of an infectious respiratory illness caused by a novel coronavirus known as COVID-19 has developed into a global pandemic. The impact of this significant event on the Funds' financial risk exposures is disclosed in Note 2.

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

### Eligible Securities Markets

The list of eligible securities markets applicable to the Funds has been updated in the Prospectus.

### Credit Facility

The Funds entered into a credit facility with JPMorgan whereby JPMorgan, together with other syndicated lenders, made a USD 475 million credit facility available to the Funds. The USD 475 million credit facility will be allocated to the Funds based on the credit facility agreement dated 23 April 2021. This credit facility may be utilised by the Funds for temporary funding purposes, including, without limitation, the funding of investor redemptions. Any interest and commitment fees in relation to drawdowns from such credit facility are paid out of the assets of the Funds.

The credit facility was not used during the period.

# Investment Report

for the year ended 30 June 2021

## Investment Objective

### **BlackRock Armed Forces Charities Growth & Income Fund BlackRock Charities UK Equity Fund**

The aim of the Funds is to provide a return on your investment (net of fees) over a period of 5 or more consecutive years beginning at the point of investment, generated through an increase in the value of the assets held by the Funds and/or income received from those assets.

### **BlackRock Catholic Charities Growth & Income Fund BlackRock Charities Growth & Income Fund BlackRock Charities UK Equity ESG Fund**

The aim of the Funds is to provide a return on your investment (net of fees) over a period of 5 or more consecutive years beginning at the point of investment, generated through an increase in the value of the assets held by the Funds and/or income received from those assets whilst adhering to the Funds' ethical investment policies.

### **BlackRock Charities UK Bond Fund**

The aim of the Fund is to provide a return on your investment, generated through income paid out by assets held by the Fund.

### **BlackRock Charities UK Equity Index Fund**

The aim of the Fund is to provide a return on your investment (net of fees), generated through an increase in the value of the assets held by the Fund and/or income received from those assets by tracking closely the performance of the FTSE All Share Index ("Benchmark Index").

# Investment Report

Fund name	Target/comparator benchmark	Investment management approach
BlackRock Armed Forces Charities Growth & Income Fund	FTSE All-Share Net Index in GBP 30%, MSCI World Ex UK net Index in GBP 30%, BBG Barclays Sterling Aggregate Gilts Index 20%, 3 Month LIBOR 10%, IPD All Balanced Funds Index 10% <sup>#</sup>	Active
BlackRock Catholic Charities Growth & Income Fund	FTSE Custom All-Share ex Tobacco, Defense, Aerospace, Beverages and Investment Trusts(30%); MSCI World SRI Index (30%); BBG Barc Sterling Aggregate:Gilts (20%); 3M LIBOR (GBP 3M British Pound Sterling London Interbank Offer Rate) (10%); IPD All Balanced Funds Index (10%) <sup>#</sup>	Active
BlackRock Charities Growth & Income Fund	FTSE Custom All-Share ex Tobacco, Defense, Aerospace, Beverages and Investment Trusts (30%); MSCI World SRI Index (30%); BBG Barc Sterling Aggregate: Gilts (20%); 3M LIBOR (GBP 3M British Pound Sterling London Interbank Offer Rate) (10%); IPD All Balanced Funds Index (10%) <sup>#</sup>	Active
BlackRock Charities UK Bond Fund	50% All Stocks Gilt (gov bonds)/50% iBoxx Sterling Non-Gilt 1-10 Yr <sup>^</sup>	Active
BlackRock Charities UK Equity ESG Fund	FTSE Custom All-Share ex Tobacco Defense Aerospace Beverages and Inv. Trust <sup>#</sup>	Active
BlackRock Charities UK Equity Fund	FTSE All-Share TR Index <sup>^</sup>	Active
BlackRock Charities UK Equity Index Fund	FTSE All-Share Index <sup>^</sup>	Passive

<sup>#</sup> Comparator benchmark

<sup>^</sup> Target benchmark

## Performance Summary

The following table compares the realised performance of the Funds during the financial year ended 30 June 2021.

The returns disclosed are the performance returns for the primary unit class of the Funds, net of fees, 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.

# Investment Report

	Fund return %	Target/comparator benchmark return %
BlackRock Armed Forces Charities Growth & Income Fund – Class A Accumulation Units	17.96	12.98
BlackRock Catholic Charities Growth & Income Fund – Class A Accumulation Units	16.38	12.62
BlackRock Charities Growth & Income Fund – Class A Accumulation Units	15.98	12.62
BlackRock Charities UK Bond Fund – Class A Accumulation Units	(1.77)	(1.96)
BlackRock Charities UK Equity ESG Fund – Class A Accumulation Units	21.33	21.52
BlackRock Charities UK Equity Fund – Class A Accumulation Units	20.80	21.45
BlackRock Charities UK Equity Index Fund – Class A Accumulation Units	21.00	20.99

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. Changes in exchange rates may cause the value of an investment to fluctuate. 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”) (in GBP terms), posted a return of 24.56% for the twelve months ended 30 June 2021. When the reporting period began, reopening economies and COVID-19 vaccine developments led to a strong economic rebound and significant gains for all equity classes.

The disruption caused by the pandemic led to a significant worldwide economic contraction immediately prior to the beginning of the reporting period. Signs of recovery appeared early in the reporting period however, as the US, the UK, and Japan experienced a significant economic rebound in the third quarter followed by slower gains in the fourth quarter. The US continued to grow in the first quarter of 2021, powered by a rebound in consumer spending, while the UK and Japan contracted slightly. The Eurozone grew in the third quarter of 2020 before falling into a recession again in the first quarter of 2021 amid renewed lockdowns in some areas and delays in vaccine distribution. Emerging markets kept pace with global markets, benefiting from rising growth expectations, as Brazil and India maintained economic growth and posted strong returns despite relatively large outbreaks of COVID-19.

Ongoing support from global central banks was a key catalyst for the global equity rally. The US Federal Reserve (“the Fed”) kept interest rates near zero and maintained major bond buying programmes to stabilise debt markets. The US provided significant fiscal stimulus to offset the economic effects of the pandemic, including an additional round of direct payments to individuals. The Fed began debating when to begin tapering asset purchases but remained committed to a near zero interest rate policy, even if inflation were to temporarily rise above its 2% target rate.



# Investment Report

The Bank of England (“BoE”) also maintained its near zero interest rate policy and a significant quantitative easing programme (monetary policy used as a way to introduce new money into the economy). However, inflation in May 2021 topped the BoE’s inflation target of 2%, leading to concern among some investors that the BoE could return to tighter monetary policy in 2022. Inflation pressure late in the reporting period also affected the Eurozone, but the European Central Bank committed to maintain its current rate of bond purchasing while setting expectations that the recent rise in prices would be temporary.

Global equities rose throughout the reporting period as aggressive policy responses from governments and central banks; the continued reopening of economies around the world; and new treatments for COVID-19 raised hopes for an economic recovery. In November 2020, news that multiple vaccines had shown high effectiveness rates and were ready to be put into production reassured investors and provided a strong boost to equities. As mass vaccination programmes for COVID-19 got underway in early 2021, stocks advanced again, with many indices reaching all time highs. The prospect of a return to normality and increased consumer spending due to pent up demand led investors in many countries to increase their expectations for future inflation.

Driven by the COVID-19 outbreak, bond performance diverged significantly based on credit quality. Prior to the beginning of the reporting period, investor caution in the face of uncertainty had driven down the prices of many higher risk bonds, particularly corporate and emerging market bonds. However, the Fed implemented an unprecedented corporate bond purchasing facility, which provided significant support to US corporate bond prices. Consequently, the reporting period saw a continued reversal of flight from risk as investor appetite for corporate bonds, particularly lower quality bonds, increased substantially. As a result, high yield corporate bonds advanced strongly, while investment grade corporate bonds declined slightly.

Investors initially flocked to government bonds amid the pandemic’s uncertainty, and the yield on the 10 year US Treasury, a benchmark lending rate for the global bond market, was near all time lows at the beginning of the reporting period. However, yields (which move inversely to prices) increased notably in early 2021 as investors’ inflation expectations picked up, driving yields higher for the reporting period. Similarly, higher yields weighed on returns for most government bonds from the UK, Asia, and the Euro area.

Stocks in emerging markets posted a strong advance for the reporting period. The development of successful vaccines for COVID-19 significantly benefited emerging market stocks, as increased optimism led to a risk-on investing environment. China’s early return to growth in the second quarter of 2020 also supported emerging market stocks, particularly in Asia. Furthermore, a relatively weak US Dollar bolstered emerging markets by lowering borrowing costs for governments and firms with US Dollar denominated debt. Emerging market bond prices recovered due to optimism about the pace of economic recovery, outpacing other international bonds for the twelve month period.

In the commodities market, gold prices posted a relatively flat return despite volatility during the reporting period. Gold rose sharply to an all time high in August 2020, before declining as the global economy rebounded, and then rose with inflation expectations. Brent crude oil prices, which had fallen sharply at the beginning of the pandemic, rebounded with stronger demand amid, ending the period with a significant gain. Supply and demand shifts induced by the pandemic and subsequent recovery led to significant volatility in the price of some commodities, notably lumber, which rose to an all time high in May 2021 before declining sharply.

On the foreign exchanges, the US Dollar declined against most global currencies, reflecting ongoing monetary stimulus and historically low interest rates relative to other developed economies. Sterling, the Chinese Yuan, the Euro, and the Swiss Franc advanced against the US Dollar, while the Japanese Yen declined slightly.

# Investment Report

## **BlackRock Armed Forces Charities Growth & Income Fund** **BlackRock Catholic Charities Growth & Income Fund** **BlackRock Charities Growth & Income Fund**

Over the financial year to 30 June 2021, the Funds' active returns were 5.0%, 3.8% and 3.4%, outperforming their comparator benchmarks (active return is the difference between the Fund's return and comparator benchmark return).

At the beginning of the period, unprecedented support from governments and accommodative central bank policy helped to restore confidence following the selloff in markets earlier in the year. As a number of COVID-19 vaccines proved to be safe and effective, their rapid roll out meant that investors rotated into more cyclical areas of the market in anticipation of economic reopening and improved economic data. However, markets remained volatile as the huge level of stimulus stoked inflation fears. The Funds performed strongly over the period as asset prices staged a remarkable recovery. Performance was driven largely by the contribution from developed market equities. During the period our dynamic approach to asset allocation was key to navigating markets.

Outperformance versus the benchmark was driven by the Funds' overweight to equities, in particular European and UK equities, and within fixed income, the overweight to corporate bonds and underweight to government bonds. Over the period, stock selection from underlying active managers was also a strong contributor to relative returns.

### *BlackRock Armed Forces Charities Growth & Income Fund*

During the financial year the following were the largest contributors to and detractors from the Fund's return relative to the comparator benchmark:

Largest Contributors		Largest Detractors	
Strategy	Effect on Fund return	Strategy	Effect on Fund return
Segregated UK Equity portfolio	5.53%	US small cap equity futures	(0.87%)
US equity futures	1.52%	UK equity futures	(0.85%)
S&P 500 futures	1.46%	UK government bonds	(0.73%)
BlackRock European Unconstrained portfolio	1.39%	Bespoke Non-Profitable Tech equity basket	(0.38%)
Baillie Gifford US Growth Trust	1.01%	iShares Physical Gold ETC	(0.32%)

The segregated UK equity portfolio was the key contributor to performance as UK assets staged a strong recovery, benefitting from reduced political uncertainty and a shift into more cyclical areas of the market. On the other hand, UK equity hedging strategies detracted. The BlackRock European Unconstrained Equity portfolio and the Baillie Gifford US Growth Trust were key contributors to return. Both positions are focused on identifying quality companies that are positioned to deliver long term growth. Exposure to US equities through US equity futures also contributed strongly. UK government bonds detracted over the period, although they did provide some diversification during periods of market volatility (market ups and downs). Our Short Non-Profitable Tech equity basket looks to protect the Fund from some of the extreme valuations in the technology sector, though it and hedging using US small cap futures detracted as markets rallied.

# Investment Report

The following table details the significant portfolio weightings at 30 June 2021 and 30 June 2020:

30 June 2021		30 June 2020	
Asset Class	Weighting	Asset Class	Weighting
Overseas Equities	40.7%	Overseas Equities	34.9%
UK Equities	26.1%	UK Equities	23.4%
Fixed Income	13.6%	Fixed Income	21.0%
Alternatives	12.7%	Alternatives	13.8%
Property	7.1%	Property	7.4%

Despite the table showing only small changes in the asset allocation, over the course of the period the Fund's exposure to markets has been dynamically managed in order to exploit potential opportunities. The biggest change in asset allocation was the reduction in fixed income exposure which was achieved by closing exposure to corporate and high yield bonds as well as hedging duration (sensitivity to long term interest rate movements) using US treasury futures. This reduction funded an increase in Overseas and UK equity exposure through new, targeted exposures to the re-opening theme which provide exposure to those areas of the market most likely to benefit from the economic recovery.

We expect markets to remain focused on potential upside surprises in inflation and labour market data. Our view is that the gradual decline in growth from the stellar rates of the reopening period to a more normal environment will be an important feature going forward. Against this backdrop, we retain a pro-risk stance in portfolios but continue to explore diversifying sources of performance and focus on exploiting tactical opportunities. We also maintain strong conviction in the embedded resilience of Environmental, Social, and Governance ("ESG") strategies in portfolios; evidence of good practices has become even more critical given the unpredictable nature of current markets.

## BlackRock Catholic Charities Growth & Income Fund

During the financial year the following were the largest contributors to and detractors from the Fund's return relative to the comparator benchmark:

Largest Contributors		Largest Detractors	
Strategy	Effect on Fund return	Strategy	Effect on Fund return
Segregated UK Equity portfolio	7.27%	US small cap equity futures	(0.81%)
Global Equity portfolio	2.10%	Segregated Fixed Income portfolio	(0.72%)
iShares MSCI USA SRI UCITS ETF	1.37%	UK equity futures	(0.63%)
Baillie Gifford US Growth Trust	1.16%	European equity futures	(0.62%)
SME Credit Realisation Fund	0.70%	Bespoke Non-Profitable Tech equity basket	(0.38%)

The segregated UK equity portfolio was the key contributor to performance as UK assets staged a strong recovery, benefitting from reduced political uncertainty and a shift into more cyclical areas of the market. On the other hand, UK equity hedging strategies detracted. Performance of the Global Equity portfolio was driven by the allocation to technology stocks, something which also benefitted the Baillie Gifford US Growth Trust which is focused on identifying quality companies that are positioned to deliver long term growth. Exposure to US equities through the iShares MSCI USA SRI UCITS ETF also contributed strongly. The segregated Fixed Income portfolio detracted over the period, although they did provide some diversification during periods of market volatility (market ups and downs). Our Short Non-Profitable Tech equity basket looks to protect the Fund from some of the extreme valuations in the technology sector, though it and hedging strategies using US small cap and European equity futures detracted as markets rallied.

# Investment Report

The following table details the significant portfolio weightings at 30 June 2021 and 30 June 2020:

30 June 2021		30 June 2020	
Asset Class	Weighting	Asset Class	Weighting
Overseas Equities	35.2%	Overseas Equities	30.9%
UK Equities	28.6%	UK Equities	28.2%
Alternatives	13.2%	Fixed Income	17.8%
Property	7.8%	Alternatives	15.2%
Fixed Income	7.6%	Property	7.9%

Despite the table showing only small changes in the asset allocation, over the course of the period the Fund's exposure to markets has been dynamically managed in order to exploit potential opportunities. The biggest change in asset allocation was the reduction in fixed income exposure which was achieved by closing exposure to corporate and high yield bonds as well as hedging duration (sensitivity to long term interest rate movements) using US treasury futures. This reduction funded an increase in Overseas and UK equity exposure through new, targeted exposures to the re-opening theme which provide exposure to those areas of the market most likely to benefit from the economic recovery.

We expect markets to remain focused on potential upside surprises in inflation and labour market data. Our view is that the gradual decline in growth from the stellar rates of the reopening period to a more normal environment will be an important feature going forward. Against this backdrop, we retain a pro-risk stance in portfolios but continue to explore diversifying sources of performance and focus on exploiting tactical opportunities. We also maintain strong conviction in the embedded resilience of ESG strategies in portfolios; evidence of good practices has become even more critical given the unpredictable nature of current markets.

## BlackRock Charities Growth & Income Fund

During the financial year the following were the largest contributors to and detractors from the Fund's return relative to the comparator benchmark:

Largest Contributors		Largest Detractors	
Strategy	Effect on Fund return	Strategy	Effect on Fund return
Segregated UK Equity portfolio	7.56%	UK equity futures	(1.20%)
iShares MSCI USA SRI UCITS ETF	1.93%	UK government bonds	(0.87%)
Baillie Gifford US Growth Trust	1.07%	US small cap equity futures	(0.78%)
BSF European Unconstrained Equity Fund	0.87%	European equity futures	(0.39%)
Bespoke US Enterprise Tech equity basket	0.79%	Short Non-Profitable Tech equity basket	(0.37%)

The segregated UK equity portfolio was the key contributor to performance as UK assets staged a strong recovery, benefitting from reduced political uncertainty and a shift into more cyclical areas of the market. On the other hand, UK equity hedging strategies detracted. The Baillie Gifford US Growth Trust and the BSF European Unconstrained Equity Fund were key contributors to return. Both positions are focused on identifying quality companies that are positioned to deliver long term growth. Exposure to US equities through the iShares MSCI USA SRI UCITS ETF also contributed strongly. UK government bonds detracted over the period, although they did provide some diversification during periods of market volatility. Our Short Non-Profitable Tech equity basket looks to protect the Fund from some of the extreme valuations in the technology sector, though it and hedging strategies using US small cap and European equity futures detracted as markets rallied.

# Investment Report

The following table details the significant portfolio weightings at 30 June 2021 and 30 June 2020:

30 June 2021		30 June 2020	
Asset Class	Weighting	Asset Class	Weighting
Overseas Equities	41.6%	Overseas Equities	32.1%
UK Equities	27.6%	UK Equities	28.5%
Fixed Income	11.4%	Fixed Income	19.4%
Alternatives	11.2%	Alternatives	12.5%
Property	3.4%	Property	5.0%

Despite the table showing only small changes in the asset allocation, over the course of the period the Fund's exposure to markets has been dynamically managed in order to exploit potential opportunities. The biggest change in asset allocation was the reduction in fixed income exposure which was achieved by closing exposure to corporate and high yield bonds as well as hedging duration (sensitivity to long term interest rate movements) using US treasury futures. This reduction funded an increase in Overseas and UK equity exposure through new, targeted exposures to the re-opening theme which provide exposure to those areas of the market most likely to benefit from the economic recovery.

We expect markets to remain focused on potential upside surprises in inflation and labour market data. Our view is that the gradual decline in growth from the stellar rates of the reopening period to a more normal environment will be an important feature going forward. Against this backdrop, we retain a pro risk stance in portfolios but continue to explore diversifying sources of performance and focus on exploiting tactical opportunities. We also maintain strong conviction in the embedded resilience of ESG strategies in portfolios; evidence of good practices has become even more critical given the unpredictable nature of current markets.

## BlackRock Charities UK Bond Fund

Over the financial year to 30 June 2021, the Fund's active return was 0.19%, outperforming its comparator benchmark (active return is the difference between the Fund's return and the comparator benchmark return).

From the beginning of 2021, the UK established itself as a leader in the fight against COVID-19 amidst rapid progress toward vaccinating its population. The period saw UK government bonds come under pressure from a strengthening economic environment. The 10-year gilt yield rose from 0.20% to end the first half of 2021 at 0.72%. Valuations were supported as the Fed and the world's other central banks remained consistently dovish (in favour of lower interest rates) in their messaging throughout 2021, suggesting global interest rates will remain low.

# Investment Report

During the financial year the following were the largest contributors to and detractors from the Fund's return relative to the comparator benchmark:

Largest Contributors		Largest Detractors	
Sector	Effect on Fund return	Sector	Effect on Fund return
Utilities <sup>#</sup>	0.38%	Governments <sup>^</sup>	(0.22%)
Banks <sup>#</sup>	0.25%	General Finance <sup>^</sup>	(0.06%)
Insurance <sup>#</sup>	0.14%	Government Related <sup>^</sup>	(0.04%)
Industrials <sup>#</sup>	0.08%	Securitised Assets <sup>^</sup>	(0.03%)
Basic Materials <sup>#</sup>	0.01%		

<sup>#</sup> Overweight position - holds more exposure than the benchmark.

<sup>^</sup> Underweight position - holds less exposure than the benchmark.

Government Related refers to Sovereigns, Supranationals and Agency debt.

Securitised Assets refers to Assets which have been pooled together and repackaged into interest-bearing securities.

From a sector perspective and in risk terms, the Fund generated positive active returns from credit exposure, aided by successful security selection in the corporate sector, such as in utilities and banking. Our underweight exposure in government bonds such as, Gilts, index linked Gilts and government related assets, were detractors to performance over the period.

The following table details the significant active positions, where the Fund is overweight (holds more exposure than the comparator benchmark) and underweight (holds less exposure than the comparator benchmark), at 30 June 2021 and 30 June 2020:

Top overweight positions			
30 June 2021		30 June 2020	
Sector	Weighting	Sector	Weighting
Utilities	6.61%	Utilities	9.67%
Banks	4.24%	Banks	3.64%
Insurance	2.87%	Insurance	2.64%

Top underweight positions			
30 June 2021		30 June 2020	
Sector	Weighting	Sector	Weighting
Government Related	(11.97%)	Government Related	(14.42%)
General Finance	(3.04%)	General Finance	(1.72%)
Oil & Gas	(0.93%)	Oil & Gas	(0.97%)

Government Related refers to Sovereigns, Supranationals and Agency debt.

Where the Fund is underweight to a sector, the return from such sector will have an opposite effect on the Fund's active return. This may result in a sector being listed as a contributor/detractor but not listed on the Fund's Portfolio Statement.

# Investment Report

## BlackRock Charities UK Equity ESG Fund BlackRock Charities UK Equity Fund

Over the financial year to 30 June 2021, the Funds' active returns were (0.2%) and (0.7%), underperforming their comparator benchmarks (active return is the difference between the Fund's return and the comparator benchmark return).

The UK market rose during the twelve-month review period, recovering from the lows of the initial stages of the COVID-19 pandemic. Market sentiment shifted between concerns around COVID-19, lockdowns and the emergence of new variants of the virus, to vaccine and stimulus-boosted optimism, which ultimately trumped concerns, with investors now clearly focused on the recovery. With governments and central banks globally continuing to provide fiscal and monetary stimulus, attention turned to second order effects and, in particular the prospect for higher inflation. Bond yields rose and a rebound in cyclical earnings continued to drive a rally in value-related names.

### BlackRock Charities UK Equity ESG Fund

The Fund underperformed during the period as high-quality businesses with defensive earnings streams underperformed more cyclical companies. A number of our defensive holdings, such as Reckitt Benckiser and RELX underperformed as investors rotated towards the beneficiaries of an expected economic rebound. Shares in Next contributed positively as the business was seen as a beneficiary of the reopening in the UK and rising consumer confidence.

During the financial year the following were the largest contributors to and detractors from the Fund's return relative to the comparator benchmark:

Largest Contributors		Largest Detractors	
Stock	Effect on Fund return	Stock	Effect on Fund return
Next <sup>#</sup>	0.79%	Reckitt Benckiser <sup>#</sup>	(1.00%)
Rio Tinto <sup>#</sup>	0.72%	Glencore <sup>^</sup>	(0.69%)
Grafton <sup>#</sup>	0.71%	RELX <sup>#</sup>	(0.65%)
GlaxoSmithKline <sup>^</sup>	0.68%	Ashtead <sup>#</sup>	(0.56%)
Intermediate Capital <sup>#</sup>	0.59%	Anglo American <sup>^</sup>	(0.53%)

<sup>#</sup> Overweight position - holds more exposure than the benchmark.

<sup>^</sup> Underweight position - holds less exposure than the benchmark.

The market's optimism around prospects for the year ahead led to underperformance of defensive names, such as Reckitt Benckiser. Whilst there is some debate as to the one-off, pandemic-related nature of the sales growth experienced, with demand for Lysol and Dettol particularly strong, these gains are being reinvested in strengthening the price proposition and routes to market across the board, which we believe will lead to sustained earnings growth in the future. Shares in Next outperformed the wider retail sector as retailers with a strong online presence have been boosted with the switch in spending off the High Street and towards the internet. Furthermore, the shares continued to benefit from renewed vaccine-led optimism.

# Investment Report

The following table details the significant active positions, where the Fund is overweight (holds more exposure than the comparator benchmark) and underweight (holds less exposure than the comparator benchmark), at 30 June 2021 and 30 June 2020:

Top overweight positions			
30 June 2021		30 June 2020	
Sector	Weighting	Sector	Weighting
Consumer Staples	2.3%	Consumer Staples	5.4%
Financials	1.1%	Consumer Discretionary	3.4%
Health Care	0.5%	Utilities	0.5%

Top underweight positions			
30 June 2021		30 June 2020	
Sector	Weighting	Sector	Weighting
Real Estate	(3.6%)	Industrials	(8.9%)
Utilities	(3.6%)	Energy	(4.2%)
Telecommunications	(2.7%)	Technology	(2.3%)

Where the Fund is underweight to a sector, the return from such sector will have an opposite effect on the Fund's active return. This may result in a sector being listed as a contributor/detractor but not listed on the Fund's Portfolio Statement.

## BlackRock Charities UK Equity Fund

The Fund underperformed during the period as high-quality businesses with defensive earnings streams underperformed more cyclical companies. A number of our defensive holdings, such as Reckitt Benckiser and RELX, underperformed as investors rotated towards the beneficiaries of an expected economic rebound. Rio Tinto was boosted by further gains in the iron ore price and Next was a beneficiary of vaccine-led optimism.

During the financial year the following were the largest contributors to and detractors from the Fund's return relative to the comparator benchmark:

Largest Contributors		Largest Detractors	
Stock	Effect on Fund return	Stock	Effect on Fund return
Rio Tinto <sup>#</sup>	0.88%	Reckitt Benckiser <sup>#</sup>	(1.06%)
Next <sup>#</sup>	0.82%	RELX <sup>#</sup>	(0.64%)
Grafton <sup>#</sup>	0.77%	Glencore <sup>^</sup>	(0.63%)
GlaxoSmithKline <sup>^</sup>	0.76%	Ashtead <sup>^</sup>	(0.51%)
Intermediate Capital <sup>#</sup>	0.62%	Anglo American <sup>^</sup>	(0.49%)

<sup>#</sup> Overweight position - holds more exposure than the benchmark.

<sup>^</sup> Underweight position - holds less exposure than the benchmark.

The market's optimism around prospects for the year ahead led to underperformance of defensive names, such as Reckitt Benckiser. Whilst there is some debate as to the one-off, pandemic-related nature of the sales growth experienced, with demand for Lysol and Dettol particularly strong, these gains are being reinvested in strengthening the price proposition and routes to market across the board, which we believe will lead to sustained earnings growth in the future. Supply shortfalls in both Brazil and Australia led to continued strength in the iron ore price, which provided a boost to Rio Tinto.



# Investment Report

The following table details the significant active positions, where the Fund is overweight (holds more exposure than the comparator benchmark) and underweight (holds less exposure than the comparator benchmark), at 30 June 2021 and 30 June 2020:

<b>Top overweight positions</b>			
<b>30 June 2021</b>		<b>30 June 2020</b>	
<b>Sector</b>	<b>Weighting</b>	<b>Sector</b>	<b>Weighting</b>
Health Care	1.9%	Consumer Discretionary	4.8%
Consumer Discretionary	0.7%	Consumer Staples	3.8%
Consumer Staples	0.7%	Basic Materials	1.0%

<b>Top underweight positions</b>			
<b>30 June 2021</b>		<b>30 June 2020</b>	
<b>Sector</b>	<b>Weighting</b>	<b>Sector</b>	<b>Weighting</b>
Financials	(4.3%)	Industrials	(8.6%)
Real Estate	(3.1%)	Financials	(4.9%)
Utilities	(3.0%)	Energy	(3.2%)

Where the Fund is underweight to a sector, the return from such sector will have an opposite effect on the Fund's active return. This may result in a sector being listed as a contributor/detractor but not listed on the Fund's Portfolio Statement.

## **Report of the Advisory Committee - BlackRock Armed Forces Charities Growth & Income Fund**

The Advisory Committee of the Armed Forces Charities Growth & Income Fund are pleased to report on the discharge of their responsibilities for the year ending 30 June 2021 as set out in the Prospectus. We bring to our responsibilities a wide range of investment, charity and armed forces experience. At our regular meetings with the Manager, we are able to ask the sort of questions that individual charities would ask if they had their own portfolio. We seek reassurance that the Fund is managed appropriately and that policies set by the Trustee or by the Manager remain suitable and have been complied with. At every meeting we review investment performance, compliance and annually, a report from the Trustee. Over the year, we also review the costs associated with managing the Fund and income distribution rate. We take a critical look at the Investment Objectives and the needs of the Unitholders. We are satisfied that the Fund remains appropriate to the unitholders needs.

## **Report of the Advisory Committee - BlackRock Catholic Charities Growth & Income Fund**

The Advisory Committee of the Catholic Charities Growth & Income Fund are pleased to report on the discharge of their responsibilities for the year ending 30 June 2021 as set out in the Prospectus. At our regular meetings with the Manager, we are able to ask the sort of questions that individual charities might ask if they had their own portfolio. We provide advice to the Manager on Catholic Social Teaching and have discussions and provide guidance on the views held within the Catholic Church pertaining to ethical investment and investment stewardship for UK Charities generally, and the unitholders more specifically. Throughout the year the Committee seeks reassurance from the Manager that the Fund is managed appropriately and that policies set by the Trustee or by the Manager remain suitable and are being complied with. At every meeting we review investment performance, compliance and annually, a report from the Trustee. Over the year, we also review the costs associated with managing the Fund and income distribution rate. We take a critical look at the Investment Objectives and the needs of the Unitholders. The Committee is satisfied that the Fund remains appropriate to the unitholders needs and we continue to work with the Manager to ensure the interests of the unitholders are the forefront of decisions and discussions.

# 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 Alternative Investment Fund Managers Directive (the "AIFMD"), the European Commission Delegated Regulation supplementing the AIFMD (the "Delegated Regulation") and the "Guidelines on sound remuneration policies under the AIFMD" issued by the European Securities and Markets Authority.

The BlackRock AIFM Remuneration Policy (the "AIFM Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of alternative investment funds in accordance with the AIFMD, and will ensure compliance with the requirements of Annex II of the AIFMD.

The Manager has adopted the AIFM 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, which 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 9 meetings during 2020. The MDCC charter is available on BlackRock, Inc.'s website ([www.blackrock.com](http://www.blackrock.com)).

# Report on Remuneration

## **(b) The Manager's Board**

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

### **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 preincentive 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.

# Report on Remuneration

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 as well as its common stock performance;
- discourage excessive risk-taking; 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.

# Report on Remuneration

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<sup>1</sup> and Organic Revenue Growth<sup>2</sup>. 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.

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.

<sup>1</sup> 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.

<sup>2</sup> Organic Revenue Growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

# Report on Remuneration

## Identified Staff

The AIFM 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 AIFMD 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 AIFMD and non-AIFMD 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 AIFMD-related business in respect of the Manager's financial year ending 31 December 2020 is GBP 83.1 million. This figure is comprised of fixed remuneration of GBP 1.4 million and variable remuneration of GBP 81.7 million. There were a total of 56 beneficiaries of the remuneration described above.



## Report on Remuneration

The amount of the aggregate remuneration awarded by the Manager, which has been attributed to the Manager's AIFMD-related business in respect of the Manager's financial year ending 31 December 2020, to its senior management was GBP 0.1 million, and to members of its staff whose actions have a material impact on the risk profile of the Manager's AIFMD-related business was GBP 83.0 million.

# 1. Accounting and Distribution Policies\*

for the year ended 30 June 2021

## 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 and as applicable to charity authorised investment funds and Charities (Accounts & Reports) Regulations 2008.
- (b) The financial statements have been prepared on a going concern basis in accordance with UK GAAP and the SORP. The Funds are able to meet all of their liabilities from their assets. The performance, marketability and risks of the Funds are reviewed on a regular basis throughout the financial period. Therefore, the Directors of the Manager believe that the Funds will continue in operational existence for the foreseeable future and are 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 Funds.
- (c) Dividends on quoted ordinary shares and preference shares are recognised when the securities are quoted ex-dividend. Where such securities are not quoted, dividends are recognised when the right to receive payment is established.

All REIT dividend revenue is recognised on an accruals basis.

Revenue from fixed interest securities 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 Funds.

All distributions from Collective Investment Schemes ("CIS") are recognised when the securities are quoted ex-dividend. All distributions from holdings in CIS are treated as revenue with the exception of the equalisation element, which is treated as capital.

Any reported revenue from an offshore fund with reporting status from HMRC, in excess of any distribution received in the reporting period, is recognised as revenue no later than the date on which the reporting fund makes this information available. The equalisation element is treated as capital.

All revenue is recognised as a gross amount that takes account of any withholding taxes but excludes any other taxes such as attributable tax credits.

Revenue from securities lending is accounted for net of associated costs and is recognised on an accruals basis.

Returns from bond futures are streamed into revenue and capital components.

Returns from total return swaps in the form of dividends or interest received from the underlying security or index are recognised as revenue. Capital gains on the underlying security or index are treated as capital.

Bank interest is recognised on an accruals basis.

The Funds receive 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.

- (d) Ordinary stock dividends are recognised wholly as revenue and are based on the market value of the shares on the date they are quoted ex-dividend. Where an enhancement is offered, the amount by which the market value of the shares (on the date they are quoted ex-dividend) exceeds the cash dividend is taken to capital.
- (e) The underlying circumstances behind both special dividends and share buy backs are reviewed on a case by case basis in determining whether the amount is revenue or capital in nature. Any tax treatment will follow the accounting treatment of the principal amount.

\* The Accounting and Distribution Policies are an integral part of the notes to financial statements.

# 1. Accounting and Distribution Policies

- (f) Underwriting commission is wholly recognised as revenue when the issue takes place, except where the Funds are 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.
- (g) All expenses, except those relating to the purchase and sale of investments are charged against revenue. All expenses are recognised on an accruals basis.
- (h) 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.

For over the counter derivatives (e.g. credit default swaps, forward currency contracts, interest rate swaps, swaptions, TBA mortgage-backed securities, total return swaps and currency options), fair value is determined based on valuation pricing models which take into account relevant market inputs as well as the time values, liquidity and volatility factors underlying the positions. The fair value of exchange traded and over the counter derivatives represents the price that would be required to close out the contracts at the balance sheet date. Amounts due to and from an individual counterparty which falls under a legally enforceable master netting agreement are netted.

Revenue received in the form of premiums on written options are recognised as revenue on a straight line basis over the period of the contract, with the balance recognised as capital. If the contract is sold or closed out, the unamortised portion of the premium remains in capital.

Investments in dual 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. 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.

- (i) 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.
- (j) 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 gains/(losses)' in the Statement of Total Return.
- (k) 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.
- (l) Cash collateral provided by the Funds is identified on the Balance Sheet as pledged cash collateral and is not included as a component of cash and cash equivalents.

# 1. Accounting and Distribution Policies

For collateral other than cash provided by the Funds, the party to whom the collateral is provided has the right by contract to sell or repledge the collateral but has an obligation to return equivalent securities to the Funds on maturity or sale of the contract. The Funds classify these assets on their Balance Sheet separately from other assets and identifies the asset as pledged investments. Such assets are valued consistently with the accounting policies listed above.

Cash collateral provided to the Funds by counterparties is identified in the Balance Sheet as cash collateral payable. The Funds may reinvest this cash collateral and the assets purchased are included in investment assets or cash equivalents on the Balance Sheet.

For collateral received from counterparties other than cash, a disclosure of the collateral provided is made in the notes to the financial statements.

## Distribution Policies

- (m) The ordinary element of stock dividends is treated as revenue and forms part of the distribution.
- (n) Special dividends and share buy backs recognised as revenue form part of the distribution.
- (o) Returns from bond futures recognised as revenue from long positions form part of the distribution. Amounts recognised as revenue from short positions reduce the amounts available for distribution.
- (p) Under the rules of the CAIF regime, the Manager can operate an Income Reserve Account, retaining no more than 15% of the revenue earned on a year to date basis. Of the net revenue available for distribution, unitholders of income unit classes will receive dividends or interest distributions with the balance attributable to accumulation unitholders retained within the Funds. In order to conduct a controlled dividend flow to unitholders, interim distributions may be made at the Manager's discretion.
- (q) With the exception of the BlackRock Charities UK Equity Index Fund, some or all of the Funds' expenses are reimbursed by capital in conjunction with operating an Income Reserve Account in order to manage distributions to unitholders. The amount reimbursed may vary between accounting periods.
- (r) The BlackRock Charities UK Bond Fund has satisfied the qualifying investments tests as specified in S468L ICTA 1988 at all times throughout its distribution period. As such, any revenue available for distribution will be paid as an interest distribution. All other funds will pay a dividend distribution.
- (s) For the purpose of maximising the distribution to investors, the effective yield adjustment on revenue from fixed interest securities on the Charities UK Bond Fund may be reimbursed by capital. The increase to net revenue after taxation available for distribution as a result of this adjustment as at 30 June 2021 was £4,044,000 (30 June 2020: £2,620,000).

## 2. Financial Instruments and Risks\*

### Introduction and overview

The Funds' investment activities expose them to the various types of risk which are associated with the financial instruments and markets in which they invest. The following information is not intended to be a comprehensive summary of all risks and investors should refer to the Prospectus of each fund for a more detailed discussion of the risks inherent in investing in the Funds.

### 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 Funds are managed within the terms of their 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 Funds.

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 Funds. 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 risk profiles of the Funds are 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 Funds may suffer through holding market positions in the face of market movements. The Funds are exposed to market risk by virtue of their investments in collective investment schemes, equities, warrants, rights, corporate bonds, government bonds, futures contracts, forward currency contracts, options, total return swaps, interest rate swaps, inflation swaps and credit default swaps.

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 a Fund will lose less than this number in percentage terms. Therefore, higher VaR numbers indicate higher risk.

\* The information relating to Financial Instruments and Risks is an integral part of the notes to financial statements.

## 2. Financial Instruments and Risks

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 Funds 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 30 June 2021 and 30 June 2020 based on a 99% confidence level is outlined in the table below:

<b>Fund</b>	<b>30 June 2021</b> <b>%</b>	<b>30 June 2020</b> <b>%</b>
BlackRock Armed Forces Charities Growth & Income Fund	1.60	5.02
BlackRock Catholic Charities Growth & Income Fund	1.54	5.71
BlackRock Charities Growth & Income Fund	1.58	4.68
BlackRock Charities UK Bond Fund	0.63	1.26
BlackRock Charities UK Equity ESG Fund	2.30	8.43
BlackRock Charities UK Equity Fund	2.28	8.31
BlackRock Charities UK Equity Index Fund	2.30	8.33

### 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 Funds may invest in securities, which as far as possible and practicable, consist of the component securities of the benchmark index of each Fund, and which may be denominated in currencies other than its reporting currency.

The Funds, in line with their benchmarks, are unhedged and are therefore exposed to foreign currency risk.

Consequently, each Fund is exposed to the risk of currency fluctuations between the base currency of the benchmark index and the base currency of the constituent securities of the benchmark index.

#### **Management of foreign currency risk**

Foreign currency exposures are managed within parameters utilising forward currency contracts. The details of the contracts in place at the year end are disclosed in the Portfolio Statement of each Fund.

The net assets of the Funds are denominated mainly in Sterling, therefore the Balance Sheet and Statement of Total Return are unlikely to be directly affected by currency movements.

## 2. Financial Instruments and Risks

### 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 Funds.

An outbreak of an infectious respiratory illness caused by a novel coronavirus known as COVID-19 has developed into a global pandemic. This coronavirus has resulted in travel restrictions, closed international borders, enhanced health screenings at ports of entry and elsewhere, disruption of and delays in healthcare service preparation and delivery, prolonged quarantines, cancellations, supply chain disruptions, and lower consumer demand, as well as general concern and uncertainty. The impact of COVID-19 has adversely affected the economies of many nations across the entire global economy, individual issuers and capital markets, and could continue to extents that cannot necessarily be foreseen. In addition, the impact of infectious illnesses in emerging market countries may be greater due to generally less established healthcare systems. Public health crises caused by the COVID-19 outbreak may exacerbate other pre-existing political, social and economic risks in certain countries or globally. The duration of the COVID-19 outbreak and its effects cannot be determined with certainty.

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

#### Management of other price risk

The Investment Manager manages the Funds' other price risk on a daily basis in accordance with their investment objectives.

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

The other price risk inherent in holdings in CIS is monitored by the Investment Manager by understanding the investment objectives of the underlying funds as well as their internal control policies and regular risk and performance reporting.

### 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 Funds are exposed to interest rate risk on their cash and bank balances held at The Bank of New York Mellon (International) Limited, amounts held at futures clearing houses and brokers, cash equivalent holdings and their 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.

## 2. Financial Instruments and Risks

The Funds have additional indirect exposure to interest rate risk through their investments in CIS, whereby the values of an underlying fund may fluctuate as a result of a change in interest rates through its investment in interest bearing securities.

### **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 Funds are 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 credit 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) Exchange Traded Financial Derivative Instruments**

The Funds' holdings in futures contracts and exchange traded options expose the Funds to counterparty credit risk.

### **Management of counterparty credit risk related to futures contracts**

The exposure is limited by trading the contracts through a clearing house. The Funds' exposure to counterparty credit risk on contracts in which they currently have a gain position is reduced by such gains received in cash from the counterparty under the daily mark-to-market mechanism on exchange traded futures contracts (variation margin). The Funds' exposure to credit risk on contracts in which they currently have a loss position is equal to the amount of margin posted to the counterparty which has not been transferred to the exchange under the daily mark-to-market mechanism. The counterparties for futures contracts are Goldman Sachs International and HSBC Bank PLC.



## 2. Financial Instruments and Risks

Margin is paid or received on futures and exchange traded options to cover any exposure by the counterparty or the Funds to each other. Margin receivable from the Funds' clearing brokers and the counterparty is included in "Cash and bank balances" on the Balance Sheet. Margin payable to the Funds' clearing brokers and the counterparty is included in "Amounts held at futures clearing houses and brokers" on the Balance Sheet.

Counterparty exposure has not been disclosed for exchange traded derivatives as the exchange requirements in respect of collateral mean that, in the opinion of the Manager, the counterparty risk is mitigated.

### ii) **Over-the-Counter ("OTC") Financial Derivative Instruments ("FDIs")**

The Funds' holdings in OTC FDIs also expose the Funds to counterparty credit risk.

Counterparty credit risk arises from the failure of the counterparty to perform according to the terms of the contract. The Fund's exposure to counterparty credit risk is limited to the contracts in which it currently has a gain position reduced by the cash collateral received from the counterparty or to counterparties which have received collateral from the Funds.

All OTC FDIs are entered into by the Funds under an International Swaps and Derivatives Associations, Inc. Master Agreement ("ISDA Master Agreement") or similar agreement. An ISDA Master Agreement is a bilateral agreement between the Funds and a counterparty that governs OTC FDIs (including total return swaps) entered into by the parties. The parties' exposures under the ISDA Master Agreement are netted and collateralised together, therefore any collateral disclosures provided are in respect of all OTC FDIs entered into by the Funds under the ISDA Master Agreement, not just total return swaps. All collateral received/posted by the Funds under the ISDA Master Agreement is transferred bilaterally under a title transfer arrangement.

For the BlackRock Charities Growth & Income Fund, the BlackRock Armed Forces Charities Growth & Income Fund and the BlackRock Catholic Charities Growth & Income Fund, the carrying value of financial assets together with cash best represents the Funds' gross maximum exposure to counterparty credit risk at the reporting date, before including the effect of ISDA Master Agreements and close-out netting, which would reduce the overall counterparty credit risk exposure. Cash held as security by the counterparty to derivative contracts is subject to the credit risk of the counterparty.

The Funds' maximum exposure to counterparty credit risk from holding forward currency contracts will be equal to the notional amount of the currency and any net unrealised gains or losses as disclosed in the portfolio statement of each Fund.

#### **Management of counterparty credit risk related to OTC FDIs**

For total return swaps held by the BlackRock Charities Growth & Income Fund, the BlackRock Armed Forces Charities Growth & Income Fund and the BlackRock Catholic Charities Growth & Income Fund, cash movements take place on a daily basis, above a certain threshold for each counterparty. The risk is further mitigated as contracts are reset on a monthly basis (1 year rolling maturity at each monthly reset) with the gain or loss being realised. The BlackRock Charities Growth & Income Fund, the BlackRock Armed Forces Charities Growth & Income Fund and the BlackRock Catholic Charities Growth & Income Fund are required to maintain collateral with the counterparties to secure these financial instruments.

## 2. Financial Instruments and Risks

Forward currency contracts do not require variation margin and thus the counterparty credit risk is monitored through the BlackRock RQA Counterparty & Concentration Risk Team which monitors the creditworthiness of the counterparty. The counterparties for forward currency contracts are disclosed in the Portfolio Statement of each Fund.

The lowest credit rating of any one counterparty as at 30 June 2021 is AA- (30 June 2020: A-) (Standard & Poor's rating).

The following table details the number of counterparties the Funds are exposed to by OTC FDIs and the maximum exposure (which is calculated on a net basis) to any one counterparty.

30 June 2021

Counterparty	Forwards	Total Return Swaps	Total Exposure
<b>BlackRock Armed Forces Charities Growth &amp; Income Fund</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Bank of America Merrill Lynch	(180)	374	194
Barclays Bank Plc	(113)	–	(113)
BNP Paribas Arbitrage SNC	(1)	–	(1)
Goldman Sachs International	–	(709)	(709)
HSBC Bank Plc	(200)	–	(200)
Société Générale SA	19	–	19
Toronto-Dominion Bank	209	–	209
UBS AG	(3)	–	(3)

Counterparty	Forwards	Total Return Swaps	Total Exposure
<b>BlackRock Catholic Charities Growth &amp; Income Fund</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Bank of America Merrill Lynch	(83)	174	91
Barclays Bank Plc	(19)	–	(19)
BNP Paribas Arbitrage SNC	65	–	65
Goldman Sachs International	10	(323)	(313)
HSBC Bank Plc	(91)	–	(91)
Royal Bank of Canada	(1)	–	(1)
Société Générale SA	9	–	9
Toronto-Dominion Bank	75	–	75
UBS AG	(2)	–	(2)

## 2. Financial Instruments and Risks

<b>Counterparty</b>	<b>Forwards</b>	<b>Total Return Swaps</b>	<b>Total Exposure</b>
<b>BlackRock Charities Growth &amp; Income Fund</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Bank of America Merrill Lynch	(73)	166	93
Barclays Bank Plc	(23)	–	(23)
BNP Paribas Arbitrage SNC	(5)	–	(5)
Citigroup Global Markets Limited	(42)	(31)	(73)
Goldman Sachs International	–	(317)	(317)
HSBC Bank Plc	(32)	–	(32)
Morgan Stanley & Co. International Plc	(12)	(215)	(227)
Standard Chartered Bank	19	–	19
State Street Global Advisors Limited	68	–	68
Toronto-Dominion Bank	(12)	–	(12)
UBS AG	(1)	–	(1)

<b>Counterparty</b>	<b>Forwards</b>	<b>Inflation Swaps</b>	<b>Interest Rate Swaps</b>	<b>Total Exposure</b>
<b>BlackRock Charities UK Bond Fund</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Bank of America Merrill Lynch	–	(67)	98	31
Credit Suisse International	–	(7)	14	7
Goldman Sachs International	52	–	–	52
Morgan Stanley & Co. International Plc	–	(4)	35	31
Royal Bank of Canada	(5)	–	–	(5)
Toronto-Dominion Bank	(1)	–	–	(1)
UBS AG	(1)	–	–	(1)

## 2. Financial Instruments and Risks

30 June 2020

<b>Counterparty</b>	<b>Forwards</b>	<b>Total Return Swaps</b>	<b>Total Exposure</b>
<b>BlackRock Armed Forces Charities Growth &amp; Income Fund</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Bank of America Merrill Lynch	(206)	–	<b>(206)</b>
Barclays Bank Plc	(199)	–	<b>(199)</b>
BNP Paribas Arbitrage SNC	43	–	<b>43</b>
Goldman Sachs International	48	–	<b>48</b>
HSBC Bank Plc	(702)	–	<b>(702)</b>
Royal Bank of Canada	(178)	–	<b>(178)</b>
Royal Bank of Scotland Plc	434	–	<b>434</b>
Société Générale SA	(239)	40	<b>(199)</b>
UBS AG	(340)	–	<b>(340)</b>
Westpac Banking Corporation	(255)	–	<b>(255)</b>

<b>Counterparty</b>	<b>Forwards</b>	<b>Total Exposure</b>
<b>BlackRock Catholic Charities Growth &amp; Income Fund</b>	<b>£000's</b>	<b>£000's</b>
Bank of America Merrill Lynch	(92)	<b>(92)</b>
Barclays Bank Plc	(89)	<b>(89)</b>
BNP Paribas Arbitrage SNC	2	<b>2</b>
Goldman Sachs International	(2)	<b>(2)</b>
HSBC Bank Plc	(362)	<b>(362)</b>
Royal Bank of Canada	(78)	<b>(78)</b>
Royal Bank of Scotland Plc	216	<b>216</b>
Société Générale SA	(83)	<b>(83)</b>
State Street Global Advisors Limited	(4)	<b>(4)</b>
Toronto-Dominion Bank	(14)	<b>(14)</b>
UBS AG	(152)	<b>(152)</b>
Westpac Banking Corporation	8	<b>8</b>

## 2. Financial Instruments and Risks

Counterparty	Forwards	Total Exposure
<b>BlackRock Charities Growth &amp; Income Fund</b>	<b>£000's</b>	<b>£000's</b>
Bank of America Merrill Lynch	(40)	<b>(40)</b>
Barclays Bank Plc	(44)	<b>(44)</b>
BNP Paribas Arbitrage SNC	(41)	<b>(41)</b>
Citigroup Global Markets Limited	(52)	<b>(52)</b>
Goldman Sachs International	8	<b>8</b>
HSBC Bank Plc	(186)	<b>(186)</b>
Morgan Stanley & Co. International Plc	(28)	<b>(28)</b>
Royal Bank of Canada	(100)	<b>(100)</b>
Royal Bank of Scotland Plc	83	<b>83</b>
Société Générale SA	(25)	<b>(25)</b>
Standard Chartered Bank	(32)	<b>(32)</b>
UBS AG	(20)	<b>(20)</b>

Counterparty	Forwards	Inflation Swaps	Total Exposure
<b>BlackRock Charities UK Bond Fund</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Bank of America Merrill Lynch	(11)	88	<b>77</b>
BNP Paribas Arbitrage SNC	(2)	–	<b>(2)</b>
HSBC Bank Plc	19	–	<b>19</b>
Royal Bank of Scotland Plc	(10)	–	<b>(10)</b>
State Street Global Advisors Limited	(17)	–	<b>(17)</b>
Toronto-Dominion Bank	(80)	–	<b>(80)</b>
UBS AG	11	–	<b>11</b>
Westpac Banking Corporation	(8)	–	<b>(8)</b>

### iii) Trustee and Custodian

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

Substantially all of the investments other than FDIs of the Funds are held by the Custodian at year end. Investments are segregated from the assets of the Custodian, with ownership rights remaining with the Funds. Bankruptcy or insolvency of the Custodian may cause the Funds' rights with respect to their 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 of each Fund.

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

## 2. Financial Instruments and Risks

### **Management of counterparty credit risk related to the Trustee and Custodian**

To mitigate the Funds' credit risk with respect to the Trustee, the Investment Manager of the Funds employs specific procedures to ensure that the Trustee employed is a reputable institution and that the associated credit risk is acceptable to the Funds. The Funds only transact 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 30 June 2021 was AA- (30 June 2020: A) (Standard & Poor's rating).

### **iv) 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.

### **v) Debt securities**

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

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 lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. A number of the Funds invest into sovereign and corporate debt which exposes the Funds 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 objectives of each Fund and monitors the credit ratings of the investments as disclosed in each Fund's portfolio statement. The ratings of the debt securities are continually monitored by the BlackRock Portfolio Management Group.

## 2. Financial Instruments and Risks

The following tables detail the credit rating profile of the debt securities held by the Funds as a percentage of the NAV as at the Balance Sheet date.

30 June 2021

Fund	Investment grade %	Non-investment grade %	Not rated %	Total %
BlackRock Armed Forces Charities Growth & Income Fund	5.48	–	–	5.48
BlackRock Catholic Charities Growth & Income Fund	12.03	–	–	12.03
BlackRock Charities Growth & Income Fund	8.97	–	–	8.97
BlackRock Charities UK Bond Fund	92.07	4.81	–	96.88

30 June 2020

Fund	Investment grade %	Non-investment grade %	Not rated %	Total %
BlackRock Armed Forces Charities Growth & Income Fund	10.11	–	–	10.11
BlackRock Catholic Charities Growth & Income Fund	13.25	0.19	–	13.44
BlackRock Charities Growth & Income Fund	10.28	–	–	10.28
BlackRock Charities UK Bond Fund	92.54	4.97	–	97.51

### vi) Collateral

The Funds engage in activities which may require collateral to be provided to a counterparty (“collateral posted”) or may hold collateral received (“collateral received”) from a counterparty.

#### Management of counterparty credit risk related to collateral

The Funds use collateral received from a counterparty to reduce the credit risk associated with any trading activity the Funds have engaged in.

#### BlackRock Armed Forces Charities Growth & Income Fund

As at 30 June 2021 collateral received by the Fund in respect of OTC FDIs was £310,000 in the form of cash. Collateral posted by the Fund in respect of OTC FDIs was £6,413,000 in the form of cash.

As at 30 June 2020 collateral received by the Fund in respect of OTC FDIs was £Nil. Collateral posted by the Fund in respect of OTC FDIs was £4,288,000 in the form of cash.

#### BlackRock Catholic Charities Growth & Income Fund

As at 30 June 2021 collateral received by the Fund in respect of OTC FDIs was £Nil. Collateral posted by the Fund in respect of OTC FDIs was £2805,000 in the form of cash.

## 2. Financial Instruments and Risks

As at 30 June 2020 collateral received by the Fund in respect of OTC FDIs was £Nil. Collateral posted by the Fund in respect of OTC FDIs was £Nil

### **BlackRock Charities Growth & Income Fund**

As at 30 June 2021 collateral received by the Fund in respect of OTC FDIs was £Nil. Collateral posted by the Fund in respect of OTC FDIs was £3,411,000 in the form of cash.

As at 30 June 2020 collateral received by the Fund in respect of OTC FDIs was £Nil. Collateral posted by the Fund in respect of OTC FDIs was £Nil

### **BlackRock Charities UK Bond Fund**

As at 30 June 2021 collateral received by the Fund in respect of OTC FDIs was £Nil. Collateral posted by the Fund in respect of OTC FDIs was £179,000 in the form of cash.

As at 30 June 2020 collateral received by the Fund in respect of OTC FDIs was £Nil. Collateral posted by the Fund in respect of OTC FDIs was £269,000 in the form of cash.

### **BlackRock Charities UK Equity ESG Fund**

As at 30 June 2021 collateral received by the Fund in respect of OTC FDIs was £Nil. Collateral posted by the Fund in respect of OTC FDIs was £Nil.

As at 30 June 2020 collateral received by the Fund in respect of OTC FDIs was £Nil. Collateral posted by the Fund in respect of OTC FDIs was £Nil

### **BlackRock Charities UK Equity Fund**

As at 30 June 2021 collateral received by the Fund in respect of OTC FDIs was £Nil. Collateral posted by the Fund in respect of OTC FDIs was £Nil.

As at 30 June 2020 collateral received by the Fund in respect of OTC FDIs was £Nil. Collateral posted by the Fund in respect of OTC FDIs was £Nil

### **BlackRock Charities UK Equity Index Fund**

As at 30 June 2021 collateral received by the Fund in respect of OTC FDIs was £Nil. Collateral posted by the Fund in respect of OTC FDIs was £124,000 in the form of cash.

As at 30 June 2020 collateral received by the Fund in respect of OTC FDIs was £Nil. Collateral posted by the Fund in respect of OTC FDIs was £Nil

## c) Liquidity risk

### **Exposure to liquidity risk**

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

Liquidity risk to the Funds arises from the redemption requests of unitholders and the liquidity of the underlying investments the Funds are invested in. The Funds' unitholders may redeem their units on the close of any daily dealing deadline for cash equal to a proportionate share of each Fund's NAV. The Funds are 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.



## 2. Financial Instruments and Risks

The Funds are also exposed to the liquidity risk of daily margin calls on derivatives.

All non-derivative financial liabilities including distributions payable held by the Funds as at 30 June 2021 and 30 June 2020, 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 a 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 Funds. 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 Funds' liquidity risks are 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 Funds' 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 – 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.

## 2. Financial Instruments and Risks

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 tables below are an analysis of the Funds' investment assets and investment liabilities measured at fair value at the Balance Sheet date.

<b>BlackRock Armed Forces Charities Growth &amp; Income Fund</b>	<b>Level 1 £000's</b>	<b>Level 2 £000's</b>	<b>Level 3 £000's</b>	<b>Total £000's</b>
<b>30 June 2021</b>				
Investment assets	303,586	102,386	–	405,972
Investment liabilities	(710)	(1,482)	–	(2,192)
<b>30 June 2020</b>				
Investment assets	251,177	112,439	–	363,616
Investment liabilities	(1,614)	(3,280)	–	(4,894)
<b>BlackRock Catholic Charities Growth &amp; Income Fund</b>	<b>Level 1 £000's</b>	<b>Level 2 £000's</b>	<b>Level 3 £000's</b>	<b>Total £000's</b>
<b>30 June 2021</b>				
Investment assets	131,066	45,624	–	176,690
Investment liabilities	(340)	(664)	–	(1,004)
<b>30 June 2020</b>				
Investment assets	110,591	47,474	–	158,065
Investment liabilities	(523)	(1,363)	–	(1,886)

## 2. Financial Instruments and Risks

<b>BlackRock Charities Growth &amp; Income Fund</b>	<b>Level 1 £000's</b>	<b>Level 2 £000's</b>	<b>Level 3 £000's</b>	<b>Total £000's</b>
<b>30 June 2021</b>				
Investment assets	137,803	36,516	–	174,319
Investment liabilities	(344)	(911)	–	(1,255)
<b>30 June 2020</b>				
Investment assets	74,997	29,733	–	104,730
Investment liabilities	(185)	(751)	–	(936)
<b>BlackRock Charities UK Bond Fund</b>	<b>Level 1 £000's</b>	<b>Level 2 £000's</b>	<b>Level 3 £000's</b>	<b>Total £000's</b>
<b>30 June 2021</b>				
Investment assets	69,873	69,288	–	139,161
Investment liabilities	(62)	(85)	–	(147)
<b>30 June 2020</b>				
Investment assets	86,950	97,428	–	184,378
Investment liabilities	(83)	(198)	–	(281)
<b>BlackRock Charities UK Equity ESG Fund</b>	<b>Level 1 £000's</b>	<b>Level 2 £000's</b>	<b>Level 3 £000's</b>	<b>Total £000's</b>
<b>30 June 2021</b>				
Investment assets	55,979	6,215	–	62,194
Investment liabilities	–	–	–	–
<b>30 June 2020</b>				
Investment assets	73,976	7,978	–	81,954
Investment liabilities	–	–	–	–
<b>BlackRock Charities UK Equity Fund</b>	<b>Level 1 £000's</b>	<b>Level 2 £000's</b>	<b>Level 3 £000's</b>	<b>Total £000's</b>
<b>30 June 2021</b>				
Investment assets	223,491	25,412	–	248,903
Investment liabilities	–	–	–	–
<b>30 June 2020</b>				
Investment assets	225,448	24,014	–	249,462
Investment liabilities	–	–	–	–

## 2. Financial Instruments and Risks

<b>BlackRock Charities UK Equity Index Fund</b>	<b>Level 1 £000's</b>	<b>Level 2 £000's</b>	<b>Level 3 £000's</b>	<b>Total £000's</b>
<b>30 June 2021</b>				
Investment assets	235,138	3,194	– <sup>#</sup>	238,332
Investment liabilities	(23)	–	–	(23)
<b>30 June 2020</b>				
Investment assets	264,437	3,742	–	268,179
Investment liabilities	–	–	–	–

<sup>#</sup> Includes illiquid securities fair valued by the Manager at zero.

Securities with a value less than £500 are not disclosed in the tables above.

### e) Leverage

The Funds may employ leverage and borrow cash in accordance with their stated investment policy or investment strategy. The Funds may employ leverage in their investment programmes through various means including the use of Financial Derivative Instruments (“FDIs”).

The use of borrowings and leverage has associated risks and can, in certain circumstances, substantially increase the adverse impact to which the Funds’ investment portfolios may be subject.

For the purposes of this disclosure, leverage is any method by which the Funds’ exposure is increased, whether through borrowing of cash or securities, or leverage embedded in derivative positions, or by any other means. The AIFMD requires that each leverage ratio be expressed as the ratio between a Fund’s exposure and its NAV and prescribes two required methodologies, the gross methodology and the commitment methodology, for calculating such exposure using the methodologies prescribed under the AIFMD, the leverage of the Funds is disclosed in the table below.

<b>Fund</b>	<b>Gross exposure</b>			<b>Commitment Approach</b>		
	<b>Maximum limit</b>	<b>Leverage as at 30.6.2021</b>	<b>Leverage as at 30.6.2020</b>	<b>Maximum limit</b>	<b>Leverage as at 30.6.2021</b>	<b>Leverage as at 30.6.2020</b>
BlackRock Armed Forces Charities Growth & Income Fund	4.0:1	1.8:1	2.1:1	2.5:1	1.4:1	1.2:1
BlackRock Catholic Charities Growth & Income Fund	4.0:1	1.9:1	2.0:1	2.5:1	1.4:1	1.1:1
BlackRock Charities Growth & Income Fund	4.0:1	1.9:1	2.0:1	2.5:1	1.4:1	1.1:1
BlackRock Charities UK Bond Fund	4.5:1	1.9:1	1.1:1	4.0:1	1.9:1	1.1:1
BlackRock Charities UK Equity ESG Fund	2.0:1	1.0:1	1.0:1	1.3:1	1.0:1	1.0:1
BlackRock Charities UK Equity Fund	2.0:1	1.0:1	1.0:1	1.3:1	1.0:1	1.0:1
BlackRock Charities UK Equity Index Fund	1.1:1	1.0:1	1.0:1	1.1:1	1.0:1	1.0:1

The maximum level of leverage which the Funds, or the Manager on the Funds’ behalf, is permitted to use as part of the Funds’ investment strategies is set out in the Prospectus and in the above table.



# BlackRock Armed Forces Charities Growth & Income Fund

## Performance Record

### Comparative Table

	A Income Units		A Accumulation Units	
	For the year to 30.6.2021	6.12.2019 to 30.6.2020	For the year to 30.6.2021	6.12.2019 to 30.6.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	209.4	212.2	383.1	377.2
Return before operating charges	38.18	3.61	70.76	6.83
Operating charges	(0.96)	(0.54)	(1.79)	(0.96)
Return after operating charges	37.22	3.07	68.97	5.87
Distributions	(7.85)	(5.85)	(10.67)	(11.08)
Retained distributions on accumulation units	N/A	N/A	10.67	11.08
<b>Closing net asset value per unit</b>				
After direct transaction costs of	(0.09)	(0.05)	(0.17)	(0.10)
<b>Performance</b>				
Return after charges <sup>1</sup>	17.77%	1.45%	18.00%	1.56%
<b>Other information</b>				
Closing net asset value (£000's)	262,737	265,293	154,197	102,062
Closing number of units	110,038,638	126,681,358	34,109,194	26,643,209
Operating charges <sup>2</sup>	0.43%	0.46%	0.43%	0.45%
Direct transaction costs <sup>3</sup>	0.04%	0.03%	0.04%	0.03%
<b>Prices</b>				
Highest offer unit price	243.4	224.5	456.9	402.6
Lowest bid unit price	207.1	174.5	380.8	313.0

<sup>1</sup> 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).

<sup>2</sup> 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).

<sup>3</sup> Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of equity instruments, debt instruments and collective investment schemes.

See note 16 for further details.

# BlackRock Armed Forces Charities Growth & Income Fund

## Distribution Tables

for the year ended 30 June 2021

### Final Distribution in Pence per Unit

For the period from 1 April 2021 to 30 June 2021

	A Income Units	A Accumulation Units
Distribution paid 20.7.2021	2.0000	3.2400
Distribution paid 20.7.2020	1.9500	4.1196

### Third Interim Distribution in Pence per Unit

For the period from 1 January 2021 to 31 March 2021

	A Income Units	A Accumulation Units
Distribution paid 20.4.2021	1.9500	2.6900
Distribution paid 20.4.2020	1.9500	3.4959

### Second Interim Distribution in Pence per Unit

For the period from 1 October 2020 to 31 December 2020

	A Income Units	A Accumulation Units
Distribution paid 20.1.2021	1.9500	2.4897
Distribution paid 20.1.2020	1.9500	3.4628

### First Interim Distribution in Pence per Unit

For the period from 1 July 2020 to 30 September 2020

	A Income Units	A Accumulation Units
Distribution paid 20.10.2020	1.9500	2.2540
Distribution paid 20.10.2019	N/A	N/A

# BlackRock Armed Forces Charities Growth & Income Fund

## Portfolio Statement

at 30 June 2021

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>EQUITIES – 52.43%; 30.6.2020 41.76%</b>			
<b>AUSTRALIA – 0.66%; 30.6.2020 0.40%</b>			
<b>Mining – 0.54%; 30.6.2020 0.40%</b>			
105,300	BHP	2,249	0.54
<b>Oil &amp; Gas Producers – 0.12%; 30.6.2020 0.00%</b>			
166,894	Oil Search	344	0.08
24,513	Santos	94	0.02
6,932	Woodside Petroleum	83	0.02
		<b>521</b>	<b>0.12</b>
<b>AUSTRIA – 0.02%; 30.6.2020 0.00%</b>			
<b>Electricity – 0.01%; 30.6.2020 0.00%</b>			
785	Verbund	52	0.01
<b>Machinery Diversified – 0.01%; 30.6.2020 0.00%</b>			
1,378	Andritz	56	0.01
<b>BELGIUM – 0.06%; 30.6.2020 0.04%</b>			
<b>Beverages – 0.05%; 30.6.2020 0.04%</b>			
3,640	Anheuser-Busch InBev	190	0.05
<b>Chemicals – 0.01%; 30.6.2020 0.00%</b>			
1,302	Umicore	57	0.01
<b>BERMUDA – 0.32%; 30.6.2020 0.35%</b>			
<b>Insurance – 0.32%; 30.6.2020 0.35%</b>			
155,351	Hiscox	1,315	0.32
<b>BRAZIL – 0.05%; 30.6.2020 0.04%</b>			
<b>Diversified Financial Services – 0.05%; 30.6.2020 0.04%</b>			
4,996	Pagueseguro Digital	203	0.05
<b>CANADA – 0.24%; 30.6.2020 0.00%</b>			
<b>Mining – 0.03%; 30.6.2020 0.00%</b>			
9,592	Cameco	132	0.03
<b>Pipelines – 0.21%; 30.6.2020 0.00%</b>			
26,457	Inter Pipeline	311	0.07
25,714	Pembina Pipeline	591	0.14
		<b>902</b>	<b>0.21</b>
<b>DENMARK – 0.50%; 30.6.2020 0.39%</b>			
<b>Alternative Energy Sources – 0.05%; 30.6.2020 0.00%</b>			
8,120	Vestas Wind Systems	227	0.05
<b>Building Materials – 0.06%; 30.6.2020 0.00%</b>			
664	Rockwool International	232	0.06

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>Electricity – 0.04%; 30.6.2020 0.00%</b>			
1,749	Orsted	177	0.04
<b>Pharmaceuticals – 0.35%; 30.6.2020 0.39%</b>			
24,192	Novo Nordisk	1,473	0.35
<b>FINLAND – 0.40%; 30.6.2020 0.22%</b>			
<b>Machinery Diversified – 0.23%; 30.6.2020 0.22%</b>			
16,354	Kone	969	0.23
<b>Oil &amp; Gas Producers – 0.17%; 30.6.2020 0.00%</b>			
16,352	Neste	729	0.17
<b>FRANCE – 1.81%; 30.6.2020 1.25%</b>			
<b>Apparel – 0.76%; 30.6.2020 0.54%</b>			
1,015	Hermes International	1,064	0.26
505	Kering	321	0.08
3,067	LVMH Moet Hennessy Louis Vuitton	1,746	0.42
		<b>3,131</b>	<b>0.76</b>
<b>Banks – 0.05%; 30.6.2020 0.00%</b>			
9,371	Societe Generale	198	0.05
<b>Beverages – 0.00%; 30.6.2020 0.13%</b>			
<b>Commercial Services – 0.19%; 30.6.2020 0.04%</b>			
12,016	Worldline	812	0.19
<b>Computers – 0.00%; 30.6.2020 0.17%</b>			
<b>Cosmetics &amp; Personal Care – 0.27%; 30.6.2020 0.31%</b>			
3,493	L'Oreal	1,131	0.27
<b>Electrical Components &amp; Equipment – 0.01%; 30.6.2020 0.00%</b>			
369	Schneider Electric	42	0.01
<b>Engineering &amp; Construction – 0.04%; 30.6.2020 0.00%</b>			
1,960	Vinci	151	0.04
<b>Food Services – 0.04%; 30.6.2020 0.00%</b>			
2,244	Sodexo	148	0.04
<b>Healthcare Products – 0.20%; 30.6.2020 0.00%</b>			
1,269	EssilorLuxottica	171	0.04
1,871	Sartorius Stedim Biotech	651	0.16
		<b>822</b>	<b>0.20</b>
<b>Insurance – 0.03%; 30.6.2020 0.00%</b>			
5,885	AXA	107	0.03
<b>Lodging – 0.03%; 30.6.2020 0.00%</b>			
5,180	Accor	138	0.03



# BlackRock Armed Forces Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>Pharmaceuticals – 0.05%; 30.6.2020 0.06%</b>			
2,653	Sanofi	201	0.05
<b>Water – 0.14%; 30.6.2020 0.00%</b>			
15,683	Suez	269	0.06
14,986	Veolia Environnement	327	0.08
		<b>596</b>	<b>0.14</b>
<b>GERMANY – 0.94%; 30.6.2020 0.82%</b>			
<b>Airlines – 0.03%; 30.6.2020 0.00%</b>			
14,455	Deutsche Lufthansa	117	0.03
<b>Alternative Energy Sources – 0.08%; 30.6.2020 0.00%</b>			
19,273	Nordex	335	0.08
<b>Apparel – 0.03%; 30.6.2020 0.16%</b>			
409	adidas	110	0.03
<b>Automobile Manufacturers – 0.07%; 30.6.2020 0.11%</b>			
1,641	Bayerische Motoren Werke	126	0.03
2,502	Daimler	161	0.04
		<b>287</b>	<b>0.07</b>
<b>Automobile Parts &amp; Equipment – 0.00%; 30.6.2020 0.02%</b>			
<b>Chemicals – 0.23%; 30.6.2020 0.23%</b>			
1,917	Evonik Industries	46	0.01
8,886	Symrise	898	0.22
		<b>944</b>	<b>0.23</b>
<b>Electrical Components &amp; Equipment – 0.05%; 30.6.2020 0.00%</b>			
4,736	SMA Solar Technology	192	0.05
<b>Entertainment – 0.03%; 30.6.2020 0.00%</b>			
3,235	CTS Eventim	146	0.03
<b>Home Furnishings – 0.14%; 30.6.2020 0.11%</b>			
880	Rational	574	0.14
<b>Leisure Time – 0.06%; 30.6.2020 0.00%</b>			
73,404	TUI	266	0.06
<b>Miscellaneous Manufacturing – 0.03%; 30.6.2020 0.06%</b>			
1,028	Siemens	118	0.03
<b>Retail – 0.09%; 30.6.2020 0.00%</b>			
5,888	Hugo Boss	230	0.06
1,460	Zalando	127	0.03
		<b>357</b>	<b>0.09</b>
<b>Software – 0.10%; 30.6.2020 0.13%</b>			
4,086	SAP	418	0.10

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>IRELAND – 0.98%; 30.6.2020 0.48%</b>			
<b>Beverages – 0.05%; 30.6.2020 0.00%</b>			
87,046	C&C	212	0.05
<b>Building Materials – 0.26%; 30.6.2020 0.17%</b>			
12,548	Kingspan	861	0.21
3,090	Kingspan	212	0.05
		<b>1,073</b>	<b>0.26</b>
<b>Computers – 0.08%; 30.6.2020 0.00%</b>			
5,183	Seagate Technology	328	0.08
<b>Investment Companies – 0.00%; 30.6.2020 0.04%</b>			
<b>Retail – 0.59%; 30.6.2020 0.27%</b>			
213,692	Grafton	2,479	0.59
<b>ISRAEL – 0.12%; 30.6.2020 0.09%</b>			
<b>Computers – 0.12%; 30.6.2020 0.09%</b>			
3,327	Check Point Software Technologies	280	0.07
6,401	Cognyte Software	113	0.03
1,043	CyberArk Software	100	0.02
		<b>493</b>	<b>0.12</b>
<b>ITALY – 0.27%; 30.6.2020 0.23%</b>			
<b>Automobile Manufacturers – 0.23%; 30.6.2020 0.23%</b>			
6,490	Ferrari	967	0.23
<b>Electricity – 0.04%; 30.6.2020 0.00%</b>			
5,423	Enel	37	0.01
20,575	Terna	110	0.03
		<b>147</b>	<b>0.04</b>
<b>JAPAN – 0.24%; 30.6.2020 0.16%</b>			
<b>Automobile Manufacturers – 0.08%; 30.6.2020 0.08%</b>			
4,800	Honda Motor	111	0.03
3,400	Toyota Motor	216	0.05
		<b>327</b>	<b>0.08</b>
<b>Machinery Diversified – 0.00%; 30.6.2020 0.06%</b>			
<b>Oil &amp; Gas Producers – 0.15%; 30.6.2020 0.00%</b>			
139,700	Eneos	424	0.10
12,200	Idemitsu Kosan	214	0.05
		<b>638</b>	<b>0.15</b>
<b>Software – 0.01%; 30.6.2020 0.02%</b>			
4,700	FFRI Security	62	0.01

# BlackRock Armed Forces Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>NETHERLANDS – 2.02%; 30.6.2020 1.32%</b>			
<b>Beverages – 0.03%; 30.6.2020 0.00%</b>			
1,272	Heineken	113	0.03
<b>Chemicals – 0.01%; 30.6.2020 0.00%</b>			
282	Koninklijke DSM	38	0.01
<b>Commercial Services – 0.07%; 30.6.2020 0.05%</b>			
166	Adyen	294	0.07
<b>Oil &amp; Gas Producers – 1.19%; 30.6.2020 0.72%</b>			
354,925	Royal Dutch Shell	4,951	1.19
<b>Pipelines – 0.06%; 30.6.2020 0.00%</b>			
8,016	Koninklijke Vopak	262	0.06
<b>Semiconductors – 0.66%; 30.6.2020 0.55%</b>			
5,526	ASML	2,756	0.66
<b>NORWAY – 0.15%; 30.6.2020 0.00%</b>			
<b>Environmental Control – 0.07%; 30.6.2020 0.00%</b>			
6,819	TOMRA Systems	273	0.07
<b>Oil &amp; Gas Producers – 0.08%; 30.6.2020 0.00%</b>			
22,200	Equinor	340	0.08
<b>POLAND – 0.06%; 30.6.2020 0.00%</b>			
<b>Apparel – 0.06%; 30.6.2020 0.00%</b>			
95	LPP	235	0.06
<b>PORTUGAL – 0.05%; 30.6.2020 0.00%</b>			
<b>Oil &amp; Gas Producers – 0.05%; 30.6.2020 0.00%</b>			
24,244	Galp Energia SGPS	191	0.05
<b>SPAIN – 0.15%; 30.6.2020 0.04%</b>			
<b>Alternative Energy Sources – 0.06%; 30.6.2020 0.00%</b>			
9,749	Siemens Gamesa Renewable Energy	232	0.06
<b>Banks – 0.03%; 30.6.2020 0.04%</b>			
44,915	Banco Santander	124	0.03
<b>Electricity – 0.03%; 30.6.2020 0.00%</b>			
4,973	EDP Renovaveis	82	0.02
3,863	Iberdrola	34	0.01
		<b>116</b>	<b>0.03</b>
<b>Retail – 0.03%; 30.6.2020 0.00%</b>			
4,383	Industria de Diseno Textil	112	0.03
<b>SWEDEN – 0.71%; 30.6.2020 0.39%</b>			
<b>Building Materials – 0.08%; 30.6.2020 0.00%</b>			
42,484	Nibe Industrier	324	0.08

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>Electronics – 0.27%; 30.6.2020 0.19%</b>			
50,902	Assa Abloy	1,116	0.27
<b>Machinery Diversified – 0.26%; 30.6.2020 0.20%</b>			
99,953	Hexagon	1,067	0.26
<b>Miscellaneous Manufacturing – 0.04%; 30.6.2020 0.00%</b>			
7,250	Alfa Laval	186	0.04
<b>Oil &amp; Gas Producers – 0.03%; 30.6.2020 0.00%</b>			
4,752	Lundin Energy	122	0.03
<b>Retail – 0.03%; 30.6.2020 0.00%</b>			
6,522	H & M Hennes & Mauritz	111	0.03
<b>SWITZERLAND – 0.64%; 30.6.2020 0.70%</b>			
<b>Alternative Energy Sources – 0.03%; 30.6.2020 0.00%</b>			
5,367	Siemens Energy	119	0.03
<b>Banks – 0.03%; 30.6.2020 0.00%</b>			
10,051	UBS	111	0.03
<b>Commercial Services – 0.01%; 30.6.2020 0.00%</b>			
19	SGS	42	0.01
<b>Food Producers – 0.28%; 30.6.2020 0.33%</b>			
12,778	Nestle	1,155	0.28
<b>Healthcare Services – 0.21%; 30.6.2020 0.20%</b>			
1,709	Lonza	876	0.21
<b>Pharmaceuticals – 0.05%; 30.6.2020 0.17%</b>			
735	Roche	201	0.05
<b>Retail – 0.03%; 30.6.2020 0.00%</b>			
453	Swatch	112	0.03
<b>UNITED KINGDOM – 30.32%; 30.6.2020 24.87%</b>			
<b>Advertising – 0.02%; 30.6.2020 0.00%</b>			
8,405	WPP	82	0.02
<b>Aerospace &amp; Defence – 0.03%; 30.6.2020 0.08%</b>			
16,424	Meggitt	75	0.02
65,062	Rolls-Royce	63	0.01
		<b>138</b>	<b>0.03</b>
<b>Agriculture – 1.15%; 30.6.2020 1.30%</b>			
172,121	British American Tobacco	4,808	1.15
<b>Airlines – 0.04%; 30.6.2020 0.00%</b>			
97,856	International Consolidated Airlines	170	0.04

# BlackRock Armed Forces Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>Alternative Energy Sources – 0.00%; 30.6.2020 0.58%</b>			
<b>Apparel – 0.07%; 30.6.2020 0.40%</b>			
14,382	Burberry	296	0.07
<b>Banks – 2.02%; 30.6.2020 1.40%</b>			
52,328	Barclays	89	0.02
47,625	HSBC	198	0.05
6,192,844	Lloyds Banking	2,878	0.69
726,500	Natwest	1,466	0.35
822,923	Standard Chartered	3,785	0.91
		<b>8,416</b>	<b>2.02</b>
<b>Beverages – 0.11%; 30.6.2020 0.33%</b>			
8,358	Diageo	291	0.07
189,456	Marston's	166	0.04
		<b>457</b>	<b>0.11</b>
<b>Bloomberg not found Industry Group – 0.00%; 30.6.2020 0.00%</b>			
1,255,450	Bluefield Solar Income Fund Rights 15/7/2021 Rights 7/15/2021 12:00:00 AM	25	0.00
<b>Chemicals – 0.05%; 30.6.2020 0.00%</b>			
6,699	Johnson Matthey	207	0.05
<b>Commercial Services – 2.51%; 30.6.2020 1.51%</b>			
155,112	Capita	59	0.01
1,127,261	Hays	1,782	0.43
300,418	RELX	5,739	1.38
584,499	Rentokil Initial	2,898	0.69
		<b>10,478</b>	<b>2.51</b>
<b>Computers – 0.04%; 30.6.2020 0.03%</b>			
62,333	NCC	184	0.04
<b>Cosmetics &amp; Personal Care – 1.15%; 30.6.2020 1.10%</b>			
113,149	Unilever	4,791	1.15
<b>Distribution &amp; Wholesale – 0.91%; 30.6.2020 0.33%</b>			
36,455	Ferguson	3,704	0.89
4,480	Travis Perkins	77	0.02
		<b>3,781</b>	<b>0.91</b>
<b>Diversified Financial Services – 0.77%; 30.6.2020 0.60%</b>			
36,151	Hargreaves Lansdown	572	0.14
209,000	IntegraFin	1,079	0.26
19,497	London Stock Exchange	1,562	0.37
		<b>3,213</b>	<b>0.77</b>

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>Electricity – 0.01%; 30.6.2020 0.00%</b>			
2,843	SSE	43	0.01
<b>Electronics – 0.65%; 30.6.2020 0.00%</b>			
260,656	Electrocomponents	2,672	0.64
1,492	Halma	40	0.01
		<b>2,712</b>	<b>0.65</b>
<b>Engineering &amp; Construction – 0.00%; 30.6.2020 0.26%</b>			
<b>Entertainment – 0.07%; 30.6.2020 0.00%</b>			
373,442	Cineworld	291	0.07
<b>Environmental Control – 0.09%; 30.6.2020 0.00%</b>			
32,853	Biffa	107	0.03
5,503	Pentair	265	0.06
		<b>372</b>	<b>0.09</b>
<b>Food Producers – 1.02%; 30.6.2020 1.32%</b>			
11,143	Greggs	286	0.07
49,830	Marks & Spencer	73	0.02
122,425	SSP	323	0.08
164,500	Tate & Lyle	1,226	0.29
1,055,027	Tesco	2,349	0.56
		<b>4,257</b>	<b>1.02</b>
<b>Food Services – 0.08%; 30.6.2020 0.00%</b>			
23,663	Compass	354	0.08
<b>Gas – 0.00%; 30.6.2020 0.82%</b>			
<b>Healthcare Products – 1.00%; 30.6.2020 0.68%</b>			
263,569	Smith & Nephew	4,159	1.00
<b>Home Builders – 1.07%; 30.6.2020 0.67%</b>			
12,541	Barratt Developments	87	0.02
2,540	Bellway	82	0.02
33,698	Berkeley	1,549	0.37
25,946	Crest Nicholson	110	0.03
2,729	Persimmon	80	0.02
13,291	Redrow	82	0.02
1,558,079	Taylor Wimpey	2,468	0.59
		<b>4,458</b>	<b>1.07</b>
<b>Household Products – 1.48%; 30.6.2020 1.32%</b>			
96,101	Reckitt Benckiser	6,174	1.48
<b>Insurance – 1.86%; 30.6.2020 1.25%</b>			
646,300	Direct Line Insurance	1,858	0.45
339,402	Phoenix	2,273	0.55

# BlackRock Armed Forces Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
258,496	Prudential	3,592	0.86
		<b>7,723</b>	<b>1.86</b>
<b>Internet – 0.92%; 30.6.2020 0.72%</b>			
135,619	Auto Trader	856	0.21
308,413	Moonpig	1,342	0.32
12,030	Rightmove	78	0.02
239,245	THG	1,464	0.35
35,459	Trainline	103	0.02
		<b>3,843</b>	<b>0.92</b>
<b>Investment Companies – 1.20%; 30.6.2020 0.99%</b>			
57,176	Melrose Industries	87	0.02
4,221,668	Sdcl Energy Efficiency Income Trust	4,918	1.18
		<b>5,005</b>	<b>1.20</b>
<b>Leisure Time – 0.08%; 30.6.2020 0.00%</b>			
39,295	On the Beach	128	0.03
48,601	Saga	194	0.05
		<b>322</b>	<b>0.08</b>
<b>Lodging – 0.62%; 30.6.2020 0.42%</b>			
5,223	InterContinental Hotels	248	0.06
74,240	Whitbread	2,326	0.56
		<b>2,574</b>	<b>0.62</b>
<b>Machinery Diversified – 0.34%; 30.6.2020 0.28%</b>			
5,314	CNH Industrial	63	0.01
10,145	Spirax-Sarco Engineering	1,380	0.33
		<b>1,443</b>	<b>0.34</b>
<b>Media – 0.07%; 30.6.2020 0.15%</b>			
13,135	Informa	65	0.02
163,752	ITV	204	0.05
		<b>269</b>	<b>0.07</b>
<b>Metal &amp; Hardware – 0.46%; 30.6.2020 0.24%</b>			
225,556	Bodycote	1,900	0.46
<b>Mining – 1.89%; 30.6.2020 1.62%</b>			
131,484	Rio Tinto	7,882	1.89
<b>Miscellaneous Manufacturing – 0.75%; 30.6.2020 0.00%</b>			
197,440	Smiths	3,129	0.75
<b>Oil &amp; Gas Producers – 1.18%; 30.6.2020 0.56%</b>			
1,566,541	BP	4,913	1.18
<b>Pharmaceuticals – 2.53%; 30.6.2020 2.19%</b>			
104,153	AstraZeneca	9,053	2.17

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
104,432	GlaxoSmithKline	1,483	0.36
		<b>10,536</b>	<b>2.53</b>
<b>Private Equity – 1.16%; 30.6.2020 0.59%</b>			
252,533	3i	2,969	0.71
87,800	Intermediate Capital	1,890	0.45
		<b>4,859</b>	<b>1.16</b>
<b>Real Estate Investment &amp; Services – 0.02%; 30.6.2020 0.00%</b>			
26,782	Grainger	76	0.02
<b>Real Estate Investment Trusts – 1.86%; 30.6.2020 1.83%</b>			
2,177	Derwent London	72	0.02
10,734	Great Portland Estates	76	0.02
330,311	Hammerson	124	0.03
10,565	Land	71	0.02
11,572	Shaftesbury	66	0.02
6,883,430	Triple Point Social Housing Reit	7,145	1.71
7,324	UNITE	78	0.02
9,304	Workspace	77	0.02
		<b>7,709</b>	<b>1.86</b>
<b>Retail – 0.91%; 30.6.2020 0.68%</b>			
14,284	J D Wetherspoon	167	0.04
8,592	JD Sports Fashion	79	0.02
59,174	Mitchells & Butlers	164	0.04
23,327	Next	1,829	0.44
167,670	Restaurant	214	0.05
85,577	WH Smith	1,346	0.32
5,021	Wickes	12	0.00
		<b>3,811</b>	<b>0.91</b>
<b>Telecommunications – 0.00%; 30.6.2020 0.38%</b>			
<b>Transportation – 0.11%; 30.6.2020 0.00%</b>			
15,497	Go-Ahead	175	0.04
61,284	National Express	164	0.04
129,951	Stagecoach	109	0.03
		<b>448</b>	<b>0.11</b>
<b>Water – 0.02%; 30.6.2020 0.24%</b>			
3,717	Pennon	42	0.01
4,343	United Utilities	42	0.01
		<b>84</b>	<b>0.02</b>
<b>UNITED STATES OF AMERICA – 11.72%; 30.6.2020 9.97%</b>			
<b>Airlines – 0.21%; 30.6.2020 0.00%</b>			
2,364	Alaska Air	103	0.02

# BlackRock Armed Forces Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
11,686	American Airlines	178	0.04
4,741	Delta Air Lines	147	0.04
12,226	JetBlue Airways	147	0.04
3,967	Southwest Airlines	151	0.04
3,097	United Airlines	116	0.03
		<b>842</b>	<b>0.21</b>
<b>Alternative Energy Sources – 0.08%; 30.6.2020 0.00%</b>			
3,376	First Solar	226	0.05
3,441	Sunrun	141	0.03
		<b>367</b>	<b>0.08</b>
<b>Apparel – 0.06%; 30.6.2020 0.06%</b>			
1,020	Nike	115	0.03
8,156	Under Armour	124	0.03
		<b>239</b>	<b>0.06</b>
<b>Automobile Parts &amp; Equipment – 0.03%; 30.6.2020 0.00%</b>			
19,510	American Axle & Manufacturing	<b>145</b>	<b>0.03</b>
<b>Banks – 0.39%; 30.6.2020 0.12%</b>			
11,072	Bank of America	326	0.08
3,197	Citigroup	161	0.04
5,041	Citizens Financial	166	0.04
6,239	Fifth Third Bancorp	171	0.04
1,050	Goldman Sachs	282	0.07
3,564	JPMorgan Chase	396	0.09
2,213	Morgan Stanley	145	0.03
		<b>1,647</b>	<b>0.39</b>
<b>Beverages – 0.04%; 30.6.2020 0.14%</b>			
2,626	Coca-Cola	102	0.02
967	PepsiCo	102	0.02
		<b>204</b>	<b>0.04</b>
<b>Biotechnology – 0.12%; 30.6.2020 0.12%</b>			
1,108	Amgen	194	0.05
8,842	Corteva	282	0.07
		<b>476</b>	<b>0.12</b>
<b>Chemicals – 0.09%; 30.6.2020 0.00%</b>			
7,343	Axalta Coating Systems	161	0.04
1,494	Ecolab	224	0.05
		<b>385</b>	<b>0.09</b>
<b>Commercial Services – 0.99%; 30.6.2020 0.83%</b>			
4,702	Avis Budget	268	0.06
11,316	Booz Allen Hamilton	695	0.17

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
4,588	Euronet Worldwide	450	0.11
4,527	Evo Payments	89	0.02
5,834	Global Payments	789	0.19
1,230	PayPal	260	0.06
	763 Quanta Services	50	0.01
3,340	S&P Global	989	0.24
24,744	Sabre	218	0.05
1,814	Square	326	0.08
		<b>4,134</b>	<b>0.99</b>
<b>Computers – 0.93%; 30.6.2020 1.33%</b>			
9,658	Apple	950	0.23
10,300	Conduent	56	0.01
6,937	Fortinet	1,217	0.29
9,716	Hewlett Packard Enterprise	102	0.02
2,029	International Business Machines	213	0.05
2,922	NetApp	175	0.04
7,469	OneSpan	141	0.03
1,544	Qualys	114	0.03
2,483	Rapid7	170	0.04
1,779	Science Applications International	113	0.03
6,992	SecureWorks	103	0.02
6,138	Varonis Systems	266	0.06
2,010	Zscaler	321	0.08
		<b>3,941</b>	<b>0.93</b>
<b>Cosmetics &amp; Personal Care – 0.07%; 30.6.2020 0.17%</b>			
2,978	Colgate-Palmolive	175	0.04
570	Estee Lauder Cos	131	0.03
		<b>306</b>	<b>0.07</b>
<b>Diversified Financial Services – 1.04%; 30.6.2020 0.86%</b>			
1,585	American Express	188	0.04
1,730	Capital One Financial	192	0.05
	583 Credit Acceptance	189	0.05
7,556	Mastercard	2,006	0.48
3,786	OneMain	163	0.04
8,059	Santander Consumer USA	207	0.05
5,372	Synchrony Financial	186	0.04
7,104	Visa	1,209	0.29
		<b>4,340</b>	<b>1.04</b>
<b>Electrical Components &amp; Equipment – 0.01%; 30.6.2020 0.00%</b>			
658	EnerSys	46	0.01

# BlackRock Armed Forces Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>Electricity – 0.08%; 30.6.2020 0.00%</b>			
1,155	Ameresco	55	0.01
12,349	Evoqua Water Technologies	296	0.07
		<b>351</b>	<b>0.08</b>
<b>Electronics – 0.02%; 30.6.2020 0.09%</b>			
669	Badger Meter	48	0.01
887	Trimble	53	0.01
		<b>101</b>	<b>0.02</b>
<b>Engineering &amp; Construction – 0.03%; 30.6.2020 0.00%</b>			
1,080	Aecom	49	0.01
938	MasTec	71	0.02
		<b>120</b>	<b>0.03</b>
<b>Entertainment – 0.11%; 30.6.2020 0.00%</b>			
9,762	Cinemark	154	0.04
2,556	Live Nation Entertainment	163	0.04
1,056	Madison Square Garden Sports	133	0.03
		<b>450</b>	<b>0.11</b>
<b>Environmental Control – 0.14%; 30.6.2020 0.00%</b>			
4,350	CECO Environmental	23	0.01
3,069	Republic Services	243	0.06
2,718	Tetra Tech	237	0.06
416	Waste Management	42	0.01
		<b>545</b>	<b>0.14</b>
<b>Food Producers – 0.07%; 30.6.2020 0.00%</b>			
2,671	Sysco	146	0.03
5,648	US Foods	150	0.04
		<b>296</b>	<b>0.07</b>
<b>Household Products – 0.02%; 30.6.2020 0.00%</b>			
1,030	Kimberly-Clark	<b>98</b>	<b>0.02</b>
<b>Internet – 1.66%; 30.6.2020 1.77%</b>			
501	Alphabet	883	0.21
185	Amazon.com	460	0.11
2,852	eBay	145	0.03
3,675	F5 Networks	505	0.12
3,443	Facebook	874	0.21
24,992	FireEye	369	0.09
2,656	Mimecast	103	0.02
279	Netflix	107	0.03
23,775	NortonLifeLock	470	0.11
1,301	Okta	233	0.06
2,645	Palo Alto Networks	716	0.17

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
1,042	Proofpoint	130	0.03
5,560	TripAdvisor	160	0.04
9,109	VeriSign	1,509	0.36
53,803	Zix	281	0.07
		<b>6,945</b>	<b>1.66</b>
<b>Leisure Time – 0.07%; 30.6.2020 0.03%</b>			
11,521	Carnival	188	0.04
1,832	Royal Caribbean Cruises	110	0.03
		<b>298</b>	<b>0.07</b>
<b>Machinery Diversified – 0.26%; 30.6.2020 0.00%</b>			
548	Agco	50	0.01
1,203	Deere	303	0.07
427	Dover	46	0.01
1,069	SPX Flow	49	0.01
2,687	Watts Water Technologies	280	0.07
1,632	Westinghouse Air Brake Technologies	96	0.02
3,272	Xylem	281	0.07
		<b>1,105</b>	<b>0.26</b>
<b>Media – 0.06%; 30.6.2020 0.07%</b>			
4,513	Discovery	99	0.02
1,435	Walt Disney	180	0.04
		<b>279</b>	<b>0.06</b>
<b>Miscellaneous Manufacturing – 0.09%; 30.6.2020 0.00%</b>			
910	A O Smith	47	0.01
5,869	Donaldson	267	0.06
452	Eaton	48	0.01
6,139	General Electric	58	0.01
		<b>420</b>	<b>0.09</b>
<b>Office &amp; Business Equipment – 0.13%; 30.6.2020 0.12%</b>			
1,351	Zebra Technologies	<b>522</b>	<b>0.13</b>
<b>Oil &amp; Gas Producers – 0.67%; 30.6.2020 0.00%</b>			
2,198	Chevron	164	0.04
2,869	ConocoPhillips	122	0.03
21,598	EOG Resources	1,282	0.31
12,058	Occidental Petroleum	272	0.07
6,701	Pioneer Natural Resources	767	0.18
3,124	Valero Energy	173	0.04
		<b>2,780</b>	<b>0.67</b>
<b>Oil &amp; Gas Services – 0.43%; 30.6.2020 0.00%</b>			
56,243	Halliburton	920	0.22

# BlackRock Armed Forces Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
38,029	Schlumberger	875	0.21
		<b>1,795</b>	<b>0.43</b>
<b>Pharmaceuticals – 0.05%; 30.6.2020 0.08%</b>			
1,648	Johnson & Johnson	195	0.05
<b>Pipelines – 0.52%; 30.6.2020 0.00%</b>			
10,122	Cheniere Energy	629	0.15
82,897	Kinder Morgan	1,067	0.26
25,246	Williams Cos	476	0.11
		<b>2,172</b>	<b>0.52</b>
<b>Real Estate Investment Trusts – 0.12%; 30.6.2020 0.00%</b>			
2,334	Lamar Advertising	175	0.04
9,336	Outfront Media	160	0.04
1,916	Simon Property	181	0.04
		<b>516</b>	<b>0.12</b>
<b>Retail – 0.10%; 30.6.2020 0.18%</b>			
3,253	FirstCash	179	0.04
674	McDonald's	112	0.03
1,360	Starbucks	110	0.03
		<b>401</b>	<b>0.10</b>
<b>Semiconductors – 0.63%; 30.6.2020 0.85%</b>			
2,831	Analog Devices	350	0.08
1,210	Broadcom	416	0.10
7,778	Intel	318	0.08
9,717	Marvell Technology	412	0.10
1,684	NVIDIA	973	0.23
5,659	ON Semiconductor	158	0.04
		<b>2,627</b>	<b>0.63</b>
<b>Software – 1.93%; 30.6.2020 2.73%</b>			
1,126	Adobe	480	0.12
5,079	Akamai Technologies	430	0.10
3,518	ANSYS	894	0.21
2,034	Aspen Technology	206	0.05
5,397	Cadence Design Systems	539	0.13
1,003	Fair Isaac	370	0.09
9,956	Fidelity National Information Services	1,019	0.24
8,954	Fiserv	688	0.16
1,668	Intuit	591	0.14
2,277	ManTech International	141	0.03
5,867	Microsoft	1,149	0.28
6,409	Oracle	361	0.09
2,252	PTC	230	0.06
1,874	salesforce.com	332	0.08

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
1,773	Splunk	184	0.04
6,401	Verint Systems	208	0.05
9,193	Verra Mobility	101	0.02
1,542	VMware	180	0.04
		<b>8,103</b>	<b>1.93</b>
<b>Telecommunications – 0.33%; 30.6.2020 0.38%</b>			
18,673	A10 Networks	153	0.04
925	Arista Networks	243	0.06
14,338	Cisco Systems	547	0.13
7,728	CommScope	120	0.03
13,906	Juniper Networks	277	0.07
		<b>1,340</b>	<b>0.33</b>
<b>Transportation – 0.00%; 30.6.2020 0.04%</b>			
<b>Water – 0.14%; 30.6.2020 0.00%</b>			
1,849	American Water Works	207	0.05
2,859	California Water Service	114	0.03
6,920	Essential Utilities	230	0.06
417	Global Water Resources	5	0.00
		<b>556</b>	<b>0.14</b>
<b>BONDS – 5.48%; 30.6.2020 10.11%</b>			
<b>UK Sterling Denominated Government Bonds – 5.48%; 30.6.2020 10.11%</b>			
£14,321,994	United Kingdom Gilt 1.75% 22/1/2049	16,065	3.86
£4,942,357	United Kingdom Gilt 4.75% 7/12/2030	6,756	1.62
		<b>22,821</b>	<b>5.48</b>
<b>COLLECTIVE INVESTMENT SCHEMES – 38.89%; 30.6.2020 46.34%</b>			
<b>Equity Funds – 11.48%; 30.6.2020 10.67%</b>			
32,968	BlackRock Global Income Fund†	4,452	1.07
875,694	BlackRock UK Smaller Companies Fund†	12,540	3.01
23,579,569	Blackstone Loan Financing	15,770	3.78
6,277,251	Bluefield Solar Income Fund	7,533	1.81
5,228,214	Schiehallion Fund	4,601	1.10
4,043,396	SME Credit Realisation Fund	2,976	0.71
		<b>47,872</b>	<b>11.48</b>
<b>Exchange Traded Funds – 9.72%; 30.6.2020 12.85%</b>			
75,494	iShares Core GBP Bond UCITS ETF†	11,610	2.78
862,484	iShares High Yield Bond ESG UCITS ETF†	3,702	0.89

# BlackRock Armed Forces Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets	Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
1,617,480	iShares MSCI Japan SRI UCITS ETF†	7,454	1.79	364,092	BlackRock Frontiers Investment Trust†	437	0.10
770,180	iShares MSCI USA SRI UCITS ETF†	4,757	1.14	297,971	BlackRock Smaller Companies Trust†	5,882	1.41
247,888	iShares Physical Gold ETC†	6,132	1.47	2,010,609	Schroder UK Public Private	633	0.15
566,836	iShares UK Property UCITS ETF†	3,357	0.80	313,950	Scottish Mortgage Investment Trust	4,121	0.99
938,398	iShares USD High Yield Bond ESG UCITS ETF†	3,525	0.85			<b>26,943</b>	<b>6.46</b>
		<b>40,537</b>	<b>9.72</b>				
<b>Fixed Income Funds – 2.03%; 30.6.2020 2.02%</b>				<b>Property Funds – 8.12%; 30.6.2020 8.42%</b>			
753,990	Blackrock Global Funds - European High Yield Bond Fund†	<b>8,445</b>	<b>2.03</b>	16,698,367	COIF Charities Property Fund	19,232	4.61
				15,809,713	Starwood European Real Estate Finance	14,608	3.51
						<b>33,840</b>	<b>8.12</b>
<b>Investment Trusts – 6.46%; 30.6.2020 6.50%</b>				<b>Short-term Money Market Funds – 1.08%; 30.6.2020 5.88%</b>			
9,750,000	Aquila European Renewables Income Fund	9,112	2.19	45,147	BlackRock ICS Sterling Liquid Environmentally Aware Fund†	<b>4,515</b>	<b>1.08</b>
1,914,506	Baillie Gifford US Growth Trust	6,758	1.62				

  

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>DERIVATIVES – 0.05%; 30.6.2020 (0.55%)</b>			
<b>Credit Default Swaps – 0.03%; 30.6.2020 0.00%</b>			
(6,020,000)	iTraxx 0% 20/6/2025		<b>137</b> <b>0.03</b>
<b>Forward Currency Contracts – (0.06%); 30.6.2020 (0.44%)</b>			
€9,800,000	Euro vs Swedish krona		17 0.00
INR 841,637,992	Indian rupee vs US dollar		(37) 0.00
¥447,946,186	Japanese yen vs US dollar		(68) (0.02)
NOK 99,030,819	Norwegian krone vs Euro		(64) (0.02)
ZAR 129,551,433	South African rand vs US dollar		(342) (0.08)
£16,661,434	UK sterling vs Euro		191 0.05
US\$1,561,669	US dollar vs Euro		16 0.00
US\$11,340,000	US dollar vs Indonesian rupiah		92 0.03
US\$9,500,000	US dollar vs South African rand		(76) (0.02)
US\$1,438,357	US dollar vs UK sterling		2 0.00
			<b>(269)</b> <b>(0.06)</b>
<b>Futures – 0.04%; 30.6.2020 (0.26%)</b>			
(238)	Euro Stoxx 50 September 2021		86 0.02
(359)	FTSE 100 Index September 2021		366 0.09
85	MSCI Emerging Markets September 2021		(3) 0.00
(21)	NASDAQ 100 E-Mini September 2021		(225) (0.05)
195	S&P 500 E-Mini September 2021		423 0.10
898	SX5E Dividend December 2023		(27) (0.01)



# BlackRock Armed Forces Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
(151)	US 10 Year Note (CBT) September 2021	(44)	(0.01)
90	XAF Financial September 2021	(411)	(0.10)
		<b>165</b>	<b>0.04</b>
<b>Options – 0.12%; 30.6.2020 0.14%</b>			
90	TOPIX Call Option 10/12/2021 2050	168	0.04
90	TOPIX Call Option 10/12/2021 2100	103	0.02
100	TOPIX Call Option 12/11/2021 2050	147	0.04
100	TOPIX Call Option 12/11/2021 2100	82	0.02
		<b>500</b>	<b>0.12</b>
<b>Total Return Swaps – (0.08%); 30.6.2020 0.01%</b>			
6,808,209	Bank of America Merrill Lynch Dow Jones US Select Home 0.556% 23/4/2022	(120)	(0.03)
1,735	Bank of America Merrill Lynch PHLX Semiconductor Sector SM 0% 17/2/2022	494	0.12
4,329,125	Goldman Sachs International US NonProfit Tech GTR 0% 23/5/2022	(775)	(0.19)
19,539	Goldman Sachs International Vvol Carry Series 80 Excess Return Stragety Risk Proxy 0% 28/2/2022	66	0.02
		<b>(335)</b>	<b>(0.08)</b>
<b>Portfolio of investments</b>		<b>403,780</b>	<b>96.85</b>
Net other assets		13,154	3.15
<b>Total net assets</b>		<b>416,934</b>	<b>100.00</b>

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

The counterparties for the forward currency contracts are Bank of America Merrill Lynch, Barclays Bank Plc, BNP Paribas Arbitrage SNC, HSBC Bank Plc, Société Générale SA, Toronto-Dominion Bank and UBS AG.

The total return swaps ("TRS") shown in the portfolio statement starting on page 56 are expressed at both their mark-to-market and original notional value, which when added together represent the current notional value of the TRS. The current notional value of a TRS represents the reference amount used to calculate payments between the counterparties to the TRS. The full notional value represents the economic interest in the security underlying the TRS, but does not change hands in full between the counterparties.

† Managed by a related party.

# BlackRock Armed Forces Charities Growth & Income Fund

## Statement of Total Return

for the year ended 30 June 2021

	Notes	£000's	For the year to 30.6.2021 £000's	£000's	30.6.2020 £000's
Income					
Net capital gains/(losses)	3		54,377		(2,263)
Revenue	4	12,239		8,859	
Expenses	5	(1,540)		(846)	
Interest payable and similar charges	6	(124)		(13)	
Net revenue before taxation		10,575		8,000	
Taxation	7	(119)		(86)	
Net revenue after taxation			10,456		7,914
Total return before distributions			64,833		5,651
Distributions	8		(11,806)		(8,644)
<b>Change in net assets attributable to unitholders from investment activities</b>			<b>53,027</b>		<b>(2,993)</b>

## Statement of Change in Net Assets Attributable to Unitholders

for the year ended 30 June 2021

	£000's	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
<b>Opening net assets attributable to unitholders</b>		367,355	–
Amounts receivable on issue of units	69,727		22,678
In-Specie from terminated CIF entity	–		349,188
Amounts payable on cancellation of units	(76,283)		(2,818)
		(6,556)	369,048
Change in net assets attributable to unitholders from investment activities		53,027	(2,993)
Retained distribution on accumulation units		3,645	2,851
Movement in Income Reserve Account (see note 15)		(537)	(1,551)
<b>Closing net assets attributable to unitholders</b>		<b>416,934</b>	<b>367,355</b>

# BlackRock Armed Forces Charities Growth & Income Fund

## Balance Sheet

at 30 June 2021

	Notes	30.6.2021 £000's	30.6.2020 £000's
<b>Assets:</b>			
Fixed assets			
– Investment assets		405,972	363,726
Current assets			
– Debtors	9	1,610	483
– Cash and bank balances	10	8,831	6,828
– Cash collateral posted		6,413	4,288
<b>Total assets</b>		<b>422,826</b>	<b>375,325</b>
<b>Liabilities:</b>			
Investment liabilities		(2,192)	(4,963)
Creditors			
– Amounts held at futures clearing houses and brokers		(177)	–
– Cash collateral payable		(309)	–
– Distributions payable		(2,201)	(2,470)
– Other creditors	11	(1,013)	(537)
<b>Total liabilities</b>		<b>(5,892)</b>	<b>(7,970)</b>
<b>Net assets attributable to unitholders</b>		<b>416,934</b>	<b>367,355</b>

M T Zemek (Director)

G D Bamping (Director)

BlackRock Fund Managers Limited

27 August 2021

# BlackRock Armed Forces Charities Growth & Income Fund

## Notes to Financial Statements

for the year ended 30 June 2021

### 1. Accounting and Distribution Policies

The accounting and distribution policies are set out on pages 25 to 27.

### 2. Financial Instruments and Risks

The financial instruments and risks are set out on pages 28 to 43.

### 3. Net Capital Gains/(Losses)

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
The net capital gains/(losses) comprise:		
Gains/(losses) on non-derivative securities	45,339	(12,195)
Gains on derivative securities	10,012	9,797
Currency (losses)/gains	(985)	125
Manager's charge rebates	27	15
Custodian transaction costs	(16)	(5)
<b>Net capital gains/(losses)</b>	<b>54,377</b>	<b>(2,263)</b>

Net gains (excluding Manager's charge rebates and transaction costs) listed above of £54,366,000 comprise net realised gains of £15,781,000 and net unrealised gains of £38,585,000 (2020: £(2,273,000) comprising net realised gains of £553,000 and net unrealised losses of £(2,826,000)).

# BlackRock Armed Forces Charities Growth & Income Fund

## Notes to Financial Statements

### 4. Revenue

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Equity distributions on CIS holdings	732	378
Interest from UK bank deposits	–	15
Interest from UK fixed interest securities	209	119
Manager's charge rebates	314	153
Option premiums	1,680	3,402
Overseas dividends	5,015	2,794
Returns from bond futures	–	26
Revenue from short-term money market funds	9	11
Financing receipts from total return swaps	12	–
Stock dividends	59	1
UK dividends	3,863	1,832
UK REIT dividends	342	127
US REIT dividends	4	1
<b>Total revenue</b>	<b>12,239</b>	<b>8,859</b>

### 5. Expenses

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Payable to the Manager or associates of the Manager:		
– Manager's charge	1,458	792
	1,458	792
Other expenses:		
– Audit fee	3	3
– Legal and other professional fees	1	19
– Safe custody fees	27	5
– Trustee's fees	51	27
	82	54
<b>Total expenses</b>	<b>1,540</b>	<b>846</b>

# BlackRock Armed Forces Charities Growth & Income Fund

## Notes to Financial Statements

### 6. Interest Payable and Similar Charges

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Interest on bank overdrafts	19	13
Interest paid on margin deposits	13	–
Returns from short position bond futures	69	–
TRS financing	23	–
<b>Total interest payable and similar charges</b>	<b>124</b>	<b>13</b>

### 7. Taxation

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Overseas tax	119	86
<b>Total tax charge</b>	<b>119</b>	<b>86</b>

# BlackRock Armed Forces Charities Growth & Income Fund

## Notes to Financial Statements

### 8. Distributions

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
First distribution	2,938	3,297
Second distribution	3,022	3,384
Third distribution	3,066	–
Final distribution	3,306	3,568
	12,332	10,249
Less: Movement in Income Reserve Account [see note 15]	(537)	(1,551)
Add: Amounts deducted on cancellation of units	95	6
Less: Amounts received on issue of units	(84)	(60)
<b>Distributions</b>	<b>11,806</b>	<b>8,644</b>

The distributable amount has been calculated as follows:

Net revenue after taxation	10,456	7,914
Add: Management expenses reimbursed by capital	1,350	730
<b>Distributions</b>	<b>11,806</b>	<b>8,644</b>

### 9. Debtors

	30.6.2021 £000's	30.6.2020 £000's
Accrued Manager's charge rebates	146	62
Accrued revenue	386	391
Overseas tax recoverable	60	30
Sales awaiting settlement	1,018	–
<b>Total debtors</b>	<b>1,610</b>	<b>483</b>

### 10. Cash and Bank Balances

	30.6.2021 £000's	30.6.2020 £000's
Amount held at futures clearing houses and brokers	79	1,345
Cash and bank balances	8,752	5,483
<b>Total cash and bank balances</b>	<b>8,831</b>	<b>6,828</b>

# BlackRock Armed Forces Charities Growth & Income Fund

## Notes to Financial Statements

### 11. Other Creditors

	30.6.2021 £000's	30.6.2020 £000's
Accrued Audit fee	3	3
Accrued Legal and other professional fees	17	18
Accrued Manager's charge	538	340
Accrued Safe custody fees	10	5
Accrued Trustee's fee	21	11
Amounts payable with respect to total return swaps	2	–
Custodian transaction costs	6	8
Purchases awaiting settlement	416	152
<b>Total other creditors</b>	<b>1,013</b>	<b>537</b>

### 12. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (30 June 2020: £Nil).

### 13. Credit Facility

The Fund entered into a credit facility with JPMorgan whereby JPMorgan, together with other syndicated lenders, made a USD 475 million credit facility available to the Fund. The USD 475 million credit facility will be allocated to the Fund based on the credit facility agreement dated 23 April 2021. This credit facility may be utilised by the Fund for temporary funding purposes, including, without limitation, the funding of investor redemptions. Any interest and commitment fees in relation to drawdowns from such credit facility are paid out of the assets of the Fund.

### 14. 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 30 June 2021:

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. During the year PNC Financial Services Group, Inc. ("PNC"), was a substantial shareholder in BlackRock, Inc. PNC did not provide any services to the Fund during the year/period ended 30 June 2021 and 30 June 2020. As at 30 June 2021, PNC is no longer an affiliate of the Entity.



# BlackRock Armed Forces Charities Growth & Income Fund

## Notes to Financial Statements

### 14. Related Parties

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. Any amounts due to or from the Manager at the year end are disclosed in notes 9 and 11. Management fees paid to the Manager are shown in note 5. The balances due at the year end in respect of these fees are shown in note 11.

For holdings in Institutional Cash Series plc ("ICS"), there will be no initial charges or redemption charges payable on investments in the Fund, however, duties and charges may apply. ICS will be subject to fees and expenses which may include fixed management fees, performance fees, administration fees and custodial fees.

The Fund may invest in other Collective Investment Schemes ("CIS"), which may or may not be operated and/or managed by an affiliate of the Manager. As an investor in such other CIS, in addition to the fees, costs and expenses payable by a unitholder in the Fund, each unitholder may also indirectly bear a portion of the fees, costs and expenses of the underlying CIS, including management, investment management and administration and other expenses. However, in respect of investments made in any other investment fund whose manager is an affiliate of the Manager, the Fund will invest, where possible, in classes of the underlying funds which are not subject to any management charges. Alternatively, where this is not possible, the Manager will rebate management charges to the Fund. The Fund will not be subject to any preliminary/initial sales fee in respect of investments made in any other investment fund whose manager is an affiliate of the Manager, although it may be subject to duties and charges in respect of subscriptions and redemptions in such investment funds.

As at 30 June 2021 and 30 June 2020, **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.

All related party transactions were carried out at arm's length in the ordinary course of business. The terms and returns received by the related parties in making the investments above were no more favourable than those received by other investors investing into the same unit class.

### 15. Income Reserve Account

	<b>For the year to 30.6.2021 £000's</b>	<b>For the period from 6.12.2019 to 30.6.2020 £000's</b>
Balance at the beginning of the year/period	10,276	11,827
Decrease in undistributed revenue	(537)	(1,551)
<b>Balance at the end of the year/period</b>	<b>9,739</b>	<b>10,276</b>

# BlackRock Armed Forces Charities Growth & Income Fund

## Notes to Financial Statements

### 16. Portfolio Transaction Costs

For the year ended 30 June 2021

Purchases (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	91,880	33	0.04	22	0.02
Collective investment schemes	46,507	14	0.03	–	–
<b>Total purchases</b>	<b>138,387</b>	<b>47</b>		<b>22</b>	
<b>Total purchases including transaction costs</b>	<b>138,456</b>				

Sales (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	54,839	22	0.04	–	–
Debt instruments	11,167	–	–	–	–
Collective investment schemes	58,472	18	0.03	–	–
<b>Total sales</b>	<b>124,478</b>	<b>40</b>		<b>–</b>	
<b>Total sales net of transaction costs</b>	<b>124,438</b>				
<b>Derivative transaction costs</b>		<b>54</b>		<b>–</b>	
<b>Total transaction costs</b>		<b>141</b>		<b>22</b>	
<b>Total transaction costs as a % of average net assets</b>		<b>0.03%</b>		<b>0.01%</b>	

# BlackRock Armed Forces Charities Growth & Income Fund

## Notes to Financial Statements

### 16. Portfolio Transaction Costs

For the period from 6 December 2019 to 30 June 2020

Purchases (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	36,895	17	0.05	3	0.01
Debt instruments	21,999	–	–	–	–
Collective investment schemes	132,235	8	0.01	17	0.00
<b>Total purchases</b>	<b>191,129</b>	<b>25</b>		<b>20</b>	
<b>Total purchases including transaction costs</b>	<b>191,174</b>				

  

Sales (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	71,570	25	0.03	1	0.00
Collective investment schemes	102,856	7	0.01	–	–
<b>Total sales</b>	<b>174,426</b>	<b>32</b>		<b>1</b>	
<b>Total sales net of transaction costs</b>	<b>174,393</b>				
<b>Derivative transaction costs</b>		<b>30</b>		<b>–</b>	
<b>Total transaction costs</b>		<b>87</b>		<b>21</b>	
<b>Total transaction costs as a % of average net assets</b>		<b>0.02%</b>		<b>0.01%</b>	

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.

For the Fund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs incurred in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

During the year the Fund utilised FDIs including credit default swaps, futures, options and total return swaps covering different underlying asset classes. The settlement values for opening and closing derivative positions are not comparable to principal values for transactions in direct holding investments and therefore purchase and sale amounts for derivative transactions are not quantified in the analysis above.

# BlackRock Armed Forces Charities Growth & Income Fund

## Notes to Financial Statements

### 16. Portfolio Transaction Costs

Transaction costs for derivatives positions will be either incurred as direct costs or form part of the dealing spread for the instruments. Any direct costs are identified in the analysis above. Dealing spread costs incurred by the Fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment

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 0.70% (30 June 2020: 0.68%).

### 17. Units in Issue

The movement in units in issue for the year ended 30 June 2021 is as follows:

	A Income Units	A Accumulation Units
Balance at the beginning of the year	126,681,358	26,643,209
Issued during the year	1,332,513	24,322,391
Cancelled during the year	(26,537,981)	(1,193,832)
Converted during the year	8,562,748	(15,662,574)
<b>Balance at the end of the year</b>	<b>110,038,638</b>	<b>34,109,194</b>

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.

### 18. Subsequent 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 30 June 2021.



# BlackRock Catholic Charities Growth & Income Fund

## Performance Record

### Comparative Table

	A Income Units		A Accumulation Units	
	For the year to 30.6.2021	6.12.2019 to 30.6.2020	For the year to 30.6.2021	6.12.2019 to 30.6.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	141.2	145.0	198.6	199.5
Return before operating charges	24.14	(0.34)	34.22	(0.29)
Operating charges	(0.88)	(0.48)	(1.25)	(0.66)
Return after operating charges	23.26	(0.82)	32.97	(0.95)
Distributions	(4.25)	(2.95)	(5.45)	(4.07)
Retained distributions on accumulation units	N/A	N/A	5.45	4.07
<b>Closing net asset value per unit</b>				
After direct transaction costs of	(0.06)	(0.04)	(0.09)	(0.06)
<b>Performance</b>				
Return after charges <sup>1</sup>	16.47%	(0.57)%	16.60%	(0.48)%
<b>Other information</b>				
Closing net asset value (£000's)	164,627	144,846	11,596	16,085
Closing number of units	102,753,881	102,559,403	5,007,635	8,100,791
Operating charges <sup>2</sup>	0.58%	0.59%	0.58%	0.59%
Direct transaction costs <sup>3</sup>	0.04%	0.03%	0.04%	0.03%
<b>Prices</b>				
Highest offer unit price	162.8	153.9	233.7	211.8
Lowest bid unit price	140.1	119.6	197.2	164.6

<sup>1</sup> 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).

<sup>2</sup> 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).

<sup>3</sup> Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of equity instruments, debt instruments and collective investment schemes.

See note 16 for further details.

# BlackRock Catholic Charities Growth & Income Fund

## Distribution Tables

for the year ended 30 June 2021

### Final Distribution in Pence per Unit

For the period from 1 April 2021 to 30 June 2021

	A Income Units	A Accumulation Units
Distribution paid 20.7.2021	1.1000	2.0956
Distribution paid 20.7.2020	1.8362	2.5468

### Third Interim Distribution in Pence per Unit

For the period from 1 January 2021 to 31 March 2021

	A Income Units	A Accumulation Units
Distribution paid 20.4.2021	1.0500	1.2200
Distribution paid 20.4.2020	1.0500	1.4451

### Second Interim Distribution in Pence per Unit

For the period from 1 October 2020 to 31 December 2020

	A Income Units	A Accumulation Units
Distribution paid 20.1.2021	1.0500	1.1266
Distribution paid 20.1.2020	0.0598	0.0823

### First Interim Distribution in Pence per Unit

For the period from 1 July 2020 to 30 September 2020

	A Income Units	A Accumulation Units
Distribution paid 20.10.2020	1.0500	1.0043
Distribution paid 20.10.2019	N/A	N/A

# BlackRock Catholic Charities Growth & Income Fund

## Portfolio Statement

at 30 June 2021

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
<b>EQUITIES – 48.66%; 30.6.2020 41.51%</b>			
<b>AUSTRALIA – 1.00%; 30.6.2020 0.53%</b>			
<b>Mining – 1.00%; 30.6.2020 0.53%</b>			
	63,000 BHP	1,346	0.76
	6,174 Rio Tinto	423	0.24
		<b>1,769</b>	<b>1.00</b>
<b>AUSTRIA – 0.02%; 30.6.2020 0.00%</b>			
<b>Electricity – 0.01%; 30.6.2020 0.00%</b>			
	358 Verbund	<b>24</b>	<b>0.01</b>
<b>Machinery Diversified – 0.01%; 30.6.2020 0.00%</b>			
	628 Andritz	<b>25</b>	<b>0.01</b>
<b>BELGIUM – 0.02%; 30.6.2020 0.00%</b>			
<b>Chemicals – 0.02%; 30.6.2020 0.00%</b>			
	593 Umicore	<b>26</b>	<b>0.02</b>
<b>BERMUDA – 0.35%; 30.6.2020 0.45%</b>			
<b>Insurance – 0.35%; 30.6.2020 0.45%</b>			
	73,409 Hiscox	<b>622</b>	<b>0.35</b>
<b>CANADA – 0.31%; 30.6.2020 0.27%</b>			
<b>Banks – 0.20%; 30.6.2020 0.22%</b>			
	4,842 Royal Bank of Canada	<b>354</b>	<b>0.20</b>
<b>Engineering &amp; Construction – 0.05%; 30.6.2020 0.05%</b>			
	4,813 SNC-Lavalin	<b>90</b>	<b>0.05</b>
<b>Insurance – 0.00%; 30.6.2020 0.00%</b>			
	18 Brookfield Asset Management Reinsurance Partners	<b>1</b>	<b>0.00</b>
<b>Private Equity – 0.06%; 30.6.2020 0.00%</b>			
	2,713 Brookfield Asset Management	<b>103</b>	<b>0.06</b>
<b>DENMARK – 0.19%; 30.6.2020 0.00%</b>			
<b>Alternative Energy Sources – 0.07%; 30.6.2020 0.00%</b>			
	4,315 Vestas Wind Systems	<b>121</b>	<b>0.07</b>
<b>Building Materials – 0.07%; 30.6.2020 0.00%</b>			
	353 Rockwool International	<b>123</b>	<b>0.07</b>
<b>Electricity – 0.05%; 30.6.2020 0.00%</b>			
	930 Orsted	<b>94</b>	<b>0.05</b>
<b>FRANCE – 0.44%; 30.6.2020 0.00%</b>			
<b>Apparel – 0.04%; 30.6.2020 0.00%</b>			
	121 Kering	<b>77</b>	<b>0.04</b>

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
<b>Banks – 0.06%; 30.6.2020 0.00%</b>			
	4,984 Societe Generale	<b>105</b>	<b>0.06</b>
<b>Electrical Components &amp; Equipment – 0.01%; 30.6.2020 0.00%</b>			
	168 Schneider Electric	<b>19</b>	<b>0.01</b>
<b>Engineering &amp; Construction – 0.10%; 30.6.2020 0.00%</b>			
	4,841 SPIE	81	0.05
	1,042 Vinci	81	0.05
		<b>162</b>	<b>0.10</b>
<b>Food Services – 0.05%; 30.6.2020 0.00%</b>			
	1,193 Sodexo	<b>79</b>	<b>0.05</b>
<b>Healthcare Products – 0.05%; 30.6.2020 0.00%</b>			
	695 EssilorLuxottica	<b>93</b>	<b>0.05</b>
<b>Lodging – 0.05%; 30.6.2020 0.00%</b>			
	3,037 Accor	<b>81</b>	<b>0.05</b>
<b>Water – 0.08%; 30.6.2020 0.00%</b>			
	8,338 Suez	<b>143</b>	<b>0.08</b>
<b>GERMANY – 0.42%; 30.6.2020 0.16%</b>			
<b>Alternative Energy Sources – 0.10%; 30.6.2020 0.00%</b>			
	10,246 Nordex	<b>178</b>	<b>0.10</b>
<b>Automobile Parts &amp; Equipment – 0.14%; 30.6.2020 0.16%</b>			
	2,389 Continental	<b>255</b>	<b>0.14</b>
<b>Chemicals – 0.01%; 30.6.2020 0.00%</b>			
	1,048 Evonik Industries	<b>25</b>	<b>0.01</b>
<b>Electrical Components &amp; Equipment – 0.06%; 30.6.2020 0.00%</b>			
	2,518 SMA Solar Technology	<b>102</b>	<b>0.06</b>
<b>Entertainment – 0.05%; 30.6.2020 0.00%</b>			
	1,769 CTS Eventim	<b>80</b>	<b>0.05</b>
<b>Retail – 0.06%; 30.6.2020 0.00%</b>			
	2,684 Hugo Boss	<b>105</b>	<b>0.06</b>
<b>IRELAND – 1.22%; 30.6.2020 1.04%</b>			
<b>Building Materials – 0.06%; 30.6.2020 0.00%</b>			
	1,643 Kingspan	<b>113</b>	<b>0.06</b>
<b>Computers – 0.54%; 30.6.2020 0.64%</b>			
	4,427 Accenture	<b>946</b>	<b>0.54</b>
<b>Investment Companies – 0.00%; 30.6.2020 0.05%</b>			
<b>Retail – 0.62%; 30.6.2020 0.35%</b>			
	93,412 Grafton	<b>1,084</b>	<b>0.62</b>



# BlackRock Catholic Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
<b>ITALY – 0.05%; 30.6.2020 0.00%</b>			
Electricity – 0.05%; 30.6.2020 0.00%	15,626 Terna	84	0.05
<b>JAPAN – 0.52%; 30.6.2020 0.75%</b>			
Banks – 0.21%; 30.6.2020 0.28%	40,700 Mitsubishi UFJ Financial	159	0.09
	8,900 Sumitomo Mitsui Trust	205	0.12
		<b>364</b>	<b>0.21</b>
Chemicals – 0.14%; 30.6.2020 0.17%	52,600 Toray Industries	254	0.14
Pharmaceuticals – 0.17%; 30.6.2020 0.30%	10,100 Otsuka	303	0.17
<b>NETHERLANDS – 1.65%; 30.6.2020 1.15%</b>			
Chemicals – 0.01%; 30.6.2020 0.00%	154 Koninklijke DSM	21	0.01
Commercial Services – 0.04%; 30.6.2020 0.00%	1,232 Randstad	68	0.04
Oil & Gas Producers – 1.60%; 30.6.2020 1.15%	202,572 Royal Dutch Shell	2,826	1.60
<b>NORWAY – 0.08%; 30.6.2020 0.00%</b>			
Environmental Control – 0.08%; 30.6.2020 0.00%	3,625 TOMRA Systems	145	0.08
<b>POLAND – 0.07%; 30.6.2020 0.00%</b>			
Apparel – 0.07%; 30.6.2020 0.00%	53 LPP	131	0.07
<b>SPAIN – 0.27%; 30.6.2020 0.16%</b>			
Alternative Energy Sources – 0.07%; 30.6.2020 0.00%	5,183 Siemens Gamesa Renewable Energy	123	0.07
Banks – 0.15%; 30.6.2020 0.16%	97,868 Banco Santander	271	0.15
Electricity – 0.01%; 30.6.2020 0.00%	1,133 EDP Renovaveis	19	0.01
Engineering & Construction – 0.04%; 30.6.2020 0.00%	3,205 Ferrovial	68	0.04
<b>SWEDEN – 0.46%; 30.6.2020 0.32%</b>			
Building Materials – 0.10%; 30.6.2020 0.00%	22,584 Nibe Industrier	172	0.10

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
<b>Electronics – 0.05%; 30.6.2020 0.00%</b>			
	4,047 Assa Abloy	89	0.05
<b>Machinery Construction &amp; Mining – 0.26%; 30.6.2020 0.32%</b>			
	25,216 Sandvik	466	0.26
<b>Miscellaneous Manufacturing – 0.05%; 30.6.2020 0.00%</b>			
	3,719 Alfa Laval	95	0.05
<b>SWITZERLAND – 0.54%; 30.6.2020 0.72%</b>			
Commercial Services – 0.01%; 30.6.2020 0.00%	10 SGS	22	0.01
Insurance – 0.53%; 30.6.2020 0.72%	4,894 Chubb	559	0.32
	5,685 Swiss Re	372	0.21
		<b>931</b>	<b>0.53</b>
<b>UNITED ARAB EMIRATES – 0.05%; 30.6.2020 0.00%</b>			
Diversified Financial Services – 0.05%; 30.6.2020 0.00%	23,217 Network International	85	0.05
<b>UNITED KINGDOM – 31.54%; 30.6.2020 27.45%</b>			
Advertising – 0.06%; 30.6.2020 0.00%	10,245 WPP	100	0.06
<b>Alternative Energy Sources – 0.00%; 30.6.2020 0.82%</b>			
Apparel – 0.07%; 30.6.2020 0.65%	6,017 Burberry	124	0.07
<b>Banks – 2.61%; 30.6.2020 2.02%</b>			
	54,678 Barclays	93	0.05
	2,931,897 Lloyds Banking	1,362	0.77
	680,500 Natwest	1,373	0.78
	387,589 Standard Chartered	1,783	1.01
		<b>4,611</b>	<b>2.61</b>
<b>Chemicals – 0.05%; 30.6.2020 0.00%</b>			
	3,053 Johnson Matthey	94	0.05
<b>Commercial Services – 3.65%; 30.6.2020 2.16%</b>			
	189,098 Capita	72	0.04
	534,949 Hays	846	0.48
	15,700 Intertek	870	0.49
	158,112 RELX	3,021	1.71
	331,044 Rentokil Initial	1,641	0.93
		<b>6,450</b>	<b>3.65</b>
<b>Cosmetics &amp; Personal Care – 1.87%; 30.6.2020 1.99%</b>			
	77,731 Unilever	3,291	1.87

# BlackRock Catholic Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
<b>Distribution &amp; Wholesale – 1.40%; 30.6.2020 0.74%</b>			
22,827	Ferguson	2,319	1.32
8,574	Travis Perkins	147	0.08
		<b>2,466</b>	<b>1.40</b>
<b>Diversified Financial Services – 0.27%; 30.6.2020 0.00%</b>			
92,200	IntegraFin	<b>476</b>	<b>0.27</b>
<b>Electricity – 0.35%; 30.6.2020 0.00%</b>			
64,660	National Grid	591	0.34
1,555	SSE	23	0.01
		<b>614</b>	<b>0.35</b>
<b>Electronics – 0.76%; 30.6.2020 0.00%</b>			
129,155	Electrocomponents	1,324	0.75
680	Halma	18	0.01
		<b>1,342</b>	<b>0.76</b>
<b>Engineering &amp; Construction – 0.00%; 30.6.2020 0.57%</b>			
<b>Entertainment – 0.07%; 30.6.2020 0.00%</b>			
162,634	Cineworld	<b>127</b>	<b>0.07</b>
<b>Environmental Control – 0.12%; 30.6.2020 0.00%</b>			
22,456	Biffa	73	0.04
2,925	Pentair	141	0.08
		<b>214</b>	<b>0.12</b>
<b>Food Producers – 1.41%; 30.6.2020 1.79%</b>			
8,055	Greggs	207	0.12
60,747	Marks & Spencer	89	0.05
56,396	SSP	149	0.08
77,800	Tate & Lyle	580	0.33
656,976	Tesco	1,463	0.83
		<b>2,488</b>	<b>1.41</b>
<b>Food Services – 0.10%; 30.6.2020 0.32%</b>			
11,763	Compass	<b>176</b>	<b>0.10</b>
<b>Forest Products &amp; Paper – 0.62%; 30.6.2020 0.00%</b>			
57,200	Mondi	<b>1,088</b>	<b>0.62</b>
<b>Gas – 0.00%; 30.6.2020 1.60%</b>			
<b>Home Builders – 1.29%; 30.6.2020 0.90%</b>			
12,285	Barratt Developments	86	0.05
968	Bellway	31	0.02
17,690	Berkeley	813	0.46
8,473	Crest Nicholson	36	0.02
1,040	Persimmon	31	0.02
5,064	Redrow	31	0.02

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
780,790	Taylor Wimpey	1,237	0.70
		<b>2,265</b>	<b>1.29</b>
<b>Insurance – 2.36%; 30.6.2020 2.06%</b>			
304,200	Direct Line Insurance	875	0.50
19,208	M&G	44	0.03
161,403	Phoenix	1,081	0.61
154,062	Prudential	2,141	1.22
		<b>4,141</b>	<b>2.36</b>
<b>Internet – 1.45%; 30.6.2020 1.47%</b>			
155,706	Auto Trader	983	0.56
164,914	Moonpig	717	0.41
14,666	Rightmove	95	0.05
115,947	THG	710	0.40
17,290	Trainline	50	0.03
		<b>2,555</b>	<b>1.45</b>
<b>Investment Companies – 1.27%; 30.6.2020 0.99%</b>			
1,927,210	Sdcl Energy Efficiency Income Trust	<b>2,245</b>	<b>1.27</b>
<b>Leisure Time – 0.09%; 30.6.2020 0.00%</b>			
19,276	On the Beach	63	0.04
23,699	Saga	94	0.05
		<b>157</b>	<b>0.09</b>
<b>Lodging – 0.09%; 30.6.2020 0.00%</b>			
1,643	InterContinental Hotels	78	0.04
2,567	Whitbread	80	0.05
		<b>158</b>	<b>0.09</b>
<b>Machinery Diversified – 0.03%; 30.6.2020 0.00%</b>			
2,906	CNH Industrial	34	0.02
146	Spirax-Sarco Engineering	20	0.01
		<b>54</b>	<b>0.03</b>
<b>Media – 0.20%; 30.6.2020 0.18%</b>			
31,938	Informa	159	0.09
152,894	ITV	191	0.11
		<b>350</b>	<b>0.20</b>
<b>Metal &amp; Hardware – 0.56%; 30.6.2020 0.32%</b>			
117,721	Bodycote	<b>992</b>	<b>0.56</b>
<b>Mining – 2.28%; 30.6.2020 2.47%</b>			
67,052	Rio Tinto	<b>4,020</b>	<b>2.28</b>
<b>Miscellaneous Manufacturing – 0.92%; 30.6.2020 0.00%</b>			
102,603	Smiths	<b>1,626</b>	<b>0.92</b>

# BlackRock Catholic Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
<b>Oil &amp; Gas Producers – 1.09%; 30.6.2020 0.92%</b>			
615,109 BP		1,929	1.09
<b>Private Equity – 1.54%; 30.6.2020 0.75%</b>			
150,036 3i		1,764	1.00
44,300 Intermediate Capital		954	0.54
		<b>2,718</b>	<b>1.54</b>
<b>Real Estate Investment &amp; Services – 0.02%; 30.6.2020 0.00%</b>			
10,203 Grainger		29	0.02
<b>Real Estate Investment Trusts – 2.70%; 30.6.2020 1.86%</b>			
5,344 British Land		26	0.01
829 Derwent London		27	0.02
4,089 Great Portland Estates		29	0.02
107,856 Hammerson		41	0.02
4,025 Land		27	0.02
116,268 Segro		1,277	0.72
4,408 Shaftesbury		25	0.01
3,072,090 Triple Point Social Housing Reit		3,189	1.81
2,789 UNITE		30	0.02
10,634 Workspace		88	0.05
		<b>4,759</b>	<b>2.70</b>
<b>Retail – 0.98%; 30.6.2020 0.93%</b>			
10,475 JD Sports Fashion		96	0.05
12,309 Next		965	0.55
41,983 WH Smith		660	0.37
9,608 Wickes		24	0.01
		<b>1,745</b>	<b>0.98</b>
<b>Telecommunications – 0.40%; 30.6.2020 1.10%</b>			
588,061 Vodafone		713	0.40
<b>Transportation – 0.20%; 30.6.2020 0.00%</b>			
101,862 Firstgroup		83	0.05
7,557 Go-Ahead		85	0.05
29,883 National Express		80	0.05
95,051 Stagecoach		79	0.05
		<b>327</b>	<b>0.20</b>
<b>Water – 0.66%; 30.6.2020 0.84%</b>			
1,694 Pennon		19	0.01
118,179 United Utilities		1,147	0.65
		<b>1,166</b>	<b>0.66</b>

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
<b>UNITED STATES OF AMERICA – 9.46%; 30.6.2020 8.51%</b>			
<b>Airlines – 0.14%; 30.6.2020 0.00%</b>			
1,941 Alaska Air		84	0.05
2,522 Delta Air Lines		78	0.04
6,690 JetBlue Airways		81	0.05
		<b>243</b>	<b>0.14</b>
<b>Alternative Energy Sources – 0.11%; 30.6.2020 0.00%</b>			
1,795 First Solar		120	0.07
1,568 Sunrun		64	0.04
		<b>184</b>	<b>0.11</b>
<b>Automobile Parts &amp; Equipment – 0.12%; 30.6.2020 0.06%</b>			
10,673 American Axle & Manufacturing		79	0.05
10,626 Goodyear Tire & Rubber		130	0.07
		<b>209</b>	<b>0.12</b>
<b>Banks – 0.37%; 30.6.2020 0.20%</b>			
1,749 Citigroup		88	0.05
2,756 Citizens Financial		91	0.05
796 JPMorgan Chase		89	0.05
5,987 Morgan Stanley		391	0.22
		<b>659</b>	<b>0.37</b>
<b>Beverages – 0.39%; 30.6.2020 0.54%</b>			
1,247 Coca-Cola		48	0.03
6,023 PepsiCo		638	0.36
		<b>686</b>	<b>0.39</b>
<b>Chemicals – 0.12%; 30.6.2020 0.00%</b>			
4,019 Axalta Coating Systems		88	0.05
794 Ecolab		119	0.07
		<b>207</b>	<b>0.12</b>
<b>Commercial Services – 0.10%; 30.6.2020 0.00%</b>			
2,500 Avis Budget		143	0.08
417 Quanta Services		27	0.02
		<b>170</b>	<b>0.10</b>
<b>Computers – 0.96%; 30.6.2020 1.00%</b>			
16,223 Apple		1,595	0.91
7,973 Hewlett Packard Enterprise		84	0.05
		<b>1,679</b>	<b>0.96</b>
<b>Cosmetics &amp; Personal Care – 0.27%; 30.6.2020 0.40%</b>			
8,087 Colgate-Palmolive		474	0.27

# BlackRock Catholic Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
<b>Diversified Financial Services – 1.81%; 30.6.2020 2.14%</b>			
869 American Express		103	0.06
5,598 Mastercard		1,486	0.84
4,214 Santander Consumer USA		109	0.06
8,774 Visa		1,493	0.85
		<b>3,191</b>	<b>1.81</b>
<b>Electrical Components &amp; Equipment – 0.01%; 30.6.2020 0.00%</b>			
360 EnerSys		25	0.01
<b>Electricity – 0.09%; 30.6.2020 0.00%</b>			
6,565 Evoqua Water Technologies		158	0.09
<b>Electronics – 0.03%; 30.6.2020 0.00%</b>			
305 Badger Meter		22	0.01
485 Trimble		29	0.02
		<b>51</b>	<b>0.03</b>
<b>Engineering &amp; Construction – 0.04%; 30.6.2020 0.00%</b>			
590 Aecom		27	0.02
513 MasTec		39	0.02
		<b>66</b>	<b>0.04</b>
<b>Entertainment – 0.05%; 30.6.2020 0.00%</b>			
5,342 Cinemark		84	0.05
<b>Environmental Control – 0.16%; 30.6.2020 0.00%</b>			
2,379 CECO Environmental		12	0.01
1,632 Republic Services		129	0.07
1,445 Tetra Tech		126	0.07
190 Waste Management		19	0.01
		<b>286</b>	<b>0.16</b>
<b>Food Producers – 0.24%; 30.6.2020 0.20%</b>			
9,121 Kraft Heinz		267	0.15
1,420 Sysco		78	0.04
3,004 US Foods		80	0.05
		<b>425</b>	<b>0.24</b>
<b>Healthcare Products – 0.25%; 30.6.2020 0.29%</b>			
4,045 Edwards Lifesciences		302	0.17
2,659 Henry Schein		142	0.08
		<b>444</b>	<b>0.25</b>
<b>Healthcare Services – 0.20%; 30.6.2020 0.23%</b>			
1,298 Anthem		357	0.20
<b>Machinery Diversified – 0.29%; 30.6.2020 0.00%</b>			
299 Agco		27	0.02

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
640 Deere		161	0.09
194 Dover		21	0.01
1,429 Watts Water Technologies		149	0.08
1,739 Xylem		150	0.09
		<b>508</b>	<b>0.29</b>
<b>Media – 0.03%; 30.6.2020 0.00%</b>			
2,469 Discovery		54	0.03
<b>Miscellaneous Manufacturing – 0.63%; 30.6.2020 0.51%</b>			
498 A O Smith		26	0.02
3,120 Donaldson		142	0.08
8,762 Eaton		926	0.53
		<b>1,094</b>	<b>0.63</b>
<b>Oil &amp; Gas Producers – 0.22%; 30.6.2020 0.18%</b>			
1,202 Chevron		90	0.05
2,289 ConocoPhillips		98	0.06
2,178 Exxon Mobil		98	0.06
1,663 Valero Energy		92	0.05
		<b>378</b>	<b>0.22</b>
<b>Oil &amp; Gas Services – 0.05%; 30.6.2020 0.00%</b>			
5,494 Halliburton		90	0.05
<b>Pharmaceuticals – 0.18%; 30.6.2020 0.22%</b>			
1,065 Covetrus		21	0.01
4,841 CVS Health		292	0.17
		<b>313</b>	<b>0.18</b>
<b>Real Estate Investment &amp; Services – 0.05%; 30.6.2020 0.00%</b>			
7,114 Cushman & Wakefield		90	0.05
<b>Real Estate Investment Trusts – 0.24%; 30.6.2020 0.00%</b>			
2,590 American Campus Communities		88	0.05
1,830 Kilroy Realty		92	0.05
4,561 Kimco Realty		68	0.04
4,967 Outfront Media		85	0.05
5,765 Park Hotels & Resorts		84	0.05
		<b>417</b>	<b>0.24</b>
<b>Retail – 0.27%; 30.6.2020 0.28%</b>			
6,588 Gap		155	0.09
3,738 Yum! Brands		312	0.18
		<b>467</b>	<b>0.27</b>
<b>Software – 1.30%; 30.6.2020 1.53%</b>			
834 Fidelity National Information Services		85	0.05

# BlackRock Catholic Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets	Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
8,097	Microsoft	1,585	0.90	£78,000	International Development Association 0.75% 12/12/2024	79	0.04
11,018	Oracle	621	0.35	£175,000	JPMorgan Chase & 0.991% 28/4/2026	175	0.10
		<b>2,291</b>	<b>1.30</b>	£160,000	Landeskreditbank Baden-Wuerttemberg Foerderbank 0.875% 7/3/2022	161	0.09
<b>Telecommunications – 0.33%; 30.6.2020 0.48%</b>				£341,000	LCR Finance 4.5% 7/12/2028	429	0.24
15,286	Cisco Systems	<b>583</b>	<b>0.33</b>	£200,000	NRW Bank 0.375% 16/12/2024	199	0.11
<b>Transportation – 0.28%; 30.6.2020 0.25%</b>				£100,000	NRW Bank 1% 15/6/2022	101	0.06
3,301	United Parcel Service	<b>494</b>	<b>0.28</b>	£200,000	NRW Bank 1.375% 15/12/2023	205	0.12
<b>Water – 0.13%; 30.6.2020 0.00%</b>				£200,000	Oesterreichische Kontrollbank 0.75% 7/3/2022	201	0.11
983	American Water Works	110	0.06	£200,000	Prs Finance 2% 23/1/2029	214	0.12
3,679	Essential Utilities	122	0.07	£150,000	UNITE USAF II 3.921% 30/6/2030	164	0.09
190	Global Water Resources	2	0.00	£130,000	Western Power Distribution 3.625% 6/11/2023	137	0.08
		<b>234</b>	<b>0.13</b>			<b>2,839</b>	<b>1.61</b>
<b>BONDS – 12.03%; 30.6.2020 13.44%</b>				<b>UK Sterling Denominated Government Bonds – 10.10%; 30.6.2020 11.31%</b>			
<b>Euro Denominated Corporate Bonds – 0.10%; 30.6.2020 0.00%</b>				£200,000	BNG Bank 1% 17/6/2022	202	0.11
€100,000	Dexia Credit Local 0% 21/1/2028	86	0.05	£100,000	BNG Bank 1.25% 15/12/2021	100	0.06
€94,000	European Investment Bank 0% 14/1/2031	80	0.05	£200,000	Bpifrance SACA 0.75% 22/7/2022	201	0.11
		<b>166</b>	<b>0.10</b>	£250,000	CPPIB Capital 0.375% 25/7/2023	250	0.14
<b>Euro Denominated Government Bonds – 0.22%; 30.6.2020 0.25%</b>				£100,000	Kommunalbanken 1.125% 15/12/2021	100	0.06
€71,000	Bundesrepublik Deutschland Bundesanleihe 0% 15/2/2030	63	0.03	£102,000	Kommunalbanken 1.125% 30/11/2022	103	0.06
€162,181	Kingdom of Belgium Government Bond 0% 22/10/2031	137	0.08	£200,000	Kommunekredit 1.375% 12/10/2022	203	0.12
€202,780	Portugal Obrigacoes do Tesouro OT 0.3% 17/10/2031	172	0.10	£100,000	Nederlandse Waterschapsbank 0.25% 15/12/2025	99	0.06
€17,621	Portugal Obrigacoes do Tesouro OT 1% 12/4/2052	14	0.01	£215,000	Svensk Exportkredit 0.125% 15/12/2025	211	0.12
		<b>386</b>	<b>0.22</b>	£506,860	United Kingdom Gilt 0.125% 31/1/2023	507	0.29
<b>UK Sterling Denominated Corporate Bonds – 1.61%; 30.6.2020 1.72%</b>				£644,000	United Kingdom Gilt 0.125% 31/1/2024	643	0.37
£170,000	Council Of Europe Development Bank 0.625% 15/6/2022	171	0.10	£754,000	United Kingdom Gilt 0.125% 30/1/2026	747	0.42
£200,000	Dexia Credit Local 0.25% 10/12/2026	195	0.11	£949,000	United Kingdom Gilt 0.125% 31/1/2028	924	0.52
£100,000	Dexia Credit Local 1.125% 15/6/2022	101	0.06				
£100,000	HSBC 2.175% 27/6/2023	101	0.06				
£210,000	International Development Association 0.375% 22/9/2027	206	0.12				

# BlackRock Catholic Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets	Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
£404,000	United Kingdom Gilt 0.25% 31/7/2031	381	0.22	£52,000	United Kingdom Gilt 4.25% 7/9/2039	79	0.05
£478,000	United Kingdom Gilt 0.375% 22/10/2030	462	0.26	£457,000	United Kingdom Gilt 4.25% 7/12/2040	703	0.40
£287,000	United Kingdom Gilt 0.5% 22/10/2061	227	0.13	£276,000	United Kingdom Gilt 4.25% 7/12/2046	458	0.26
£298,996	United Kingdom Gilt 0.625% 7/6/2025	304	0.17	£175,534	United Kingdom Gilt 4.25% 7/12/2049	303	0.17
£264,000	United Kingdom Gilt 0.625% 31/7/2035	249	0.14	£197,000	United Kingdom Gilt 4.25% 7/12/2055	367	0.21
£559,000	United Kingdom Gilt 0.625% 22/10/2050	476	0.27	£263,000	United Kingdom Gilt 4.5% 7/9/2034	378	0.21
£164,000	United Kingdom Gilt 0.875% 22/10/2029	167	0.09	£422,000	United Kingdom Gilt 4.5% 7/12/2042	686	0.39
£366,000	United Kingdom Gilt 0.875% 31/1/2046	337	0.19	£183,000	United Kingdom Gilt 4.75% 7/12/2030	250	0.14
£371,000	United Kingdom Gilt 1% 22/4/2024	380	0.22	£291,000	United Kingdom Gilt 4.75% 7/12/2038	459	0.26
£599,000	United Kingdom Gilt 1.25% 22/10/2041	604	0.34			<b>17,801</b>	<b>10.10</b>
£99,000	United Kingdom Gilt 1.25% 31/7/2051	99	0.06	<b>US Dollar Denominated Government Bonds – 0.00%; 30.6.2020 0.16%</b>			
£185,000	United Kingdom Gilt 1.5% 22/7/2047	196	0.11	<b>COLLECTIVE INVESTMENT SCHEMES – 39.13%; 30.6.2020 42.50%</b>			
£298,000	United Kingdom Gilt 1.625% 22/10/2054	331	0.19	<b>Equity Funds – 11.40%; 30.6.2020 11.81%</b>			
£187,000	United Kingdom Gilt 1.625% 22/10/2071	228	0.13	295,162	BlackRock Global Funds - European Equity Income fund <sup>†</sup>	4,138	2.35
£541,000	United Kingdom Gilt 1.75% 7/9/2037	592	0.34	24,229	BlackRock Global Income Fund <sup>†</sup>	3,272	1.86
£1,136,343	United Kingdom Gilt 1.75% 22/1/2049	1,275	0.72	30,012	BlackRock Strategic Funds - European Unconstrained Equity Fund <sup>†</sup>	5,061	2.87
£490,000	United Kingdom Gilt 1.75% 22/7/2057	571	0.32	1,717,603	Blackstone Loan Financing	1,149	0.65
£214,000	United Kingdom Gilt 2.5% 22/7/2065	315	0.18	2,530,107	Bluefield Solar Income Fund	3,036	1.72
£67,766	United Kingdom Gilt 3.25% 22/1/2044	95	0.05	506,021	Bluefield Solar Income Fund Rights 15/7/2021	10	0.00
£159,000	United Kingdom Gilt 3.5% 22/1/2045	233	0.13	2,417,569	Schiehallion Fund	2,128	1.21
£178,000	United Kingdom Gilt 3.5% 22/7/2068	333	0.19	1,768,058	SME Credit Realisation Fund	1,301	0.74
£207,000	United Kingdom Gilt 3.75% 22/7/2052	343	0.19			<b>20,095</b>	<b>11.40</b>
£137,000	United Kingdom Gilt 4% 22/1/2060	258	0.15	<b>Exchange Traded Funds – 9.45%; 30.6.2020 8.67%</b>			
£425,051	United Kingdom Gilt 4.25% 7/6/2032	576	0.33	486,945	iShares MSCI Europe SRI UCITS ETF <sup>†</sup>	2,874	1.63
£553,000	United Kingdom Gilt 4.25% 7/3/2036	796	0.45	558,876	iShares MSCI Japan SRI UCITS ETF	2,576	1.46
				1,356,030	iShares MSCI USA SRI UCITS ETF <sup>†</sup>	8,375	4.75

# BlackRock Catholic Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
114,438	iShares Physical Gold ETC†	2,831	1.61
		<b>16,656</b>	<b>9.45</b>
<b>Investment Trusts – 8.59%; 30.6.2020 10.71%</b>			
4,430,000	Aquila European Renewables Income Fund Fund	4,140	2.35
886,389	Baillie Gifford US Growth Trust	3,129	1.77
287,355	BlackRock Smaller Companies Trust†	5,672	3.22
864,281	Schroder UK Public Private	272	0.16
145,788	Scottish Mortgage Investment Trust	1,914	1.09
		<b>15,127</b>	<b>8.59</b>

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
<b>Property Funds – 9.58%; 30.6.2020 10.12%</b>			
9,250,058	COIF Charities Property Fund	10,654	6.05
6,738,258	Starwood European Real Estate Finance	6,226	3.53
		<b>16,880</b>	<b>9.58</b>
<b>Short-term Money Market Funds – 0.11%; 30.6.2020 1.19%</b>			
1,888	BlackRock ICS Sterling Liquid Environmentally Aware Fund†	<b>189</b>	<b>0.11</b>

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>DERIVATIVES – (0.12%); 30.6.2020 (0.40%)</b>			
<b>Credit Default Swaps – 0.03%; 30.6.2020 0.00%</b>			
(2,650,000)	Goldman Sachs International iTraxx 0% 20/6/2025	<b>60</b>	<b>0.03</b>
<b>Forward Currency Contracts – (0.02%); 30.6.2020 (0.40%)</b>			
€4,270,000	Euro vs Swedish krona	7	0.00
€530,000	Euro vs UK sterling	(1)	0.00
INR 385,936,356	Indian rupee vs US dollar	(18)	0.00
NOK 43,149,192	Norwegian krone vs Euro	(27)	(0.02)
ZAR 59,320,935	South African rand vs US dollar	(157)	(0.09)
£11,094	UK sterling vs Australian dollar	–	0.00
£5,976,754	UK sterling vs Euro	67	0.04
£6,991,625	UK sterling vs US dollar	(17)	(0.01)
US\$3,533,351	US dollar vs Euro	35	0.02
US\$5,200,000	US dollar vs Indonesian rupiah	43	0.02
US\$4,350,000	US dollar vs South African rand	(35)	(0.02)
US\$5,151,383	US dollar vs UK sterling	66	0.04
		<b>(37)</b>	<b>(0.02)</b>
<b>Futures – (0.05%); 30.6.2020 (0.14%)</b>			
16	90-Day Sterling£ December 2022	–	0.00
(16)	90-Day Sterling£ December 2024	(1)	0.00
38	E-Mini S&P 500 September 2021	75	0.04
(185)	Euro Stoxx 50 September 2021	67	0.04
(1)	Euro-Bobl September 2021	–	0.00
1	Euro-BTP September 2021	1	0.00
(4)	Euro-Bund September 2021	(2)	0.00
3	Euro-OAT September 2021	1	0.00
(110)	FTSE 100 Index September 2021	112	0.06

# BlackRock Catholic Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
	(4) Long Gilt September 2021	(2)	0.00
	39 MSCI Emerging Markets September 2021	(2)	0.00
	(10) NASDAQ 100 E-Mini September 2021	(107)	(0.06)
	398 SX5E Dividend December 2023	(12)	(0.01)
	(70) US 10 Year Note (CBT) September 2021	(21)	(0.01)
	(4) US 10 Year Ultra September 2021	(6)	0.00
	41 XAF Financial September 2021	(187)	(0.11)
		<b>(84)</b>	<b>(0.05)</b>
<b>Options – 0.00%; 30.6.2020 0.14%</b>			
<b>Total Return Swaps – (0.08%); 30.6.2020 0.00%</b>			
	3,139,708 Bank of America Merrill Lynch Dow Jones US Select Home 0.556% 23/4/2022	(55)	(0.03)
	805 Bank of America Merrill Lynch PHLX Semiconductor Sector SM 0% 17/2/2022	229	0.13
	1,976,110 Goldman Sachs International US NonProfit Tech GTR 0% 23/5/2022	(354)	(0.20)
	9,059 Goldman Sachs International Vvol Carry Series 80 Excess Return Stragety Risk Proxy 0% 28/2/2022	31	0.02
		<b>(149)</b>	<b>(0.08)</b>
<b>Portfolio of investments</b>		<b>175,686</b>	<b>99.70</b>
Net other assets		537	0.30
<b>Total net assets</b>		<b>176,223</b>	<b>100.00</b>

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

The counterparties to the forward currency contracts are Bank of America Merrill Lynch, Barclays Bank Plc, BNP Paribas Arbitrage SNC, Goldman Sachs International, HSBC Bank Plc, Royal Bank of Canada, Royal Bank of Scotland Plc, Société Générale SA, Toronto-Dominion Bank and UBS AG.

The total return swaps ("TRS") shown in the portfolio statement starting on page 79 are expressed at both their mark-to-market and original notional value, which when added together represent the current notional value of the TRS. The current notional value of a TRS represents the reference amount used to calculate payments between the counterparties to the TRS. The full notional value represents the economic interest in the security underlying the TRS, but does not change hands in full between the counterparties.

<sup>1</sup> All securities that have a value of less than £500 have been rounded to zero.

<sup>†</sup> Managed by a related party.



# BlackRock Catholic Charities Growth & Income Fund

## Statement of Total Return

for the year ended 30 June 2021

	Notes	£000's	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Income				
Net capital gains/(losses)	3		22,769	(4,201)
Revenue	4	5,409		4,055
Expenses	5	(920)		(502)
Interest payable and similar charges	6	(42)		(4)
Net revenue before taxation		4,447		3,549
Taxation	7	(48)		(33)
Net revenue after taxation			4,399	3,516
Total return before distributions			27,168	(685)
Distributions	8		(5,217)	(3,949)
<b>Change in net assets attributable to unitholders from investment activities</b>			<b>21,951</b>	<b>(4,634)</b>

## Statement of Change in Net Assets Attributable to Unitholders

for the year ended 30 June 2021

	£000's	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
<b>Opening net assets attributable to unitholders</b>		160,931	–
Amounts receivable on issue of units	10,217		203
In-Specie from terminated CIF entity	–		167,401
Amounts payable on cancellation of units	(17,612)		(2,945)
		(7,395)	164,659
Change in net assets attributable to unitholders from investment activities		21,951	(4,634)
Retained distribution on accumulation units		489	331
Movement in Income Reserve Account (see note 15)		247	575
<b>Closing net assets attributable to unitholders</b>		<b>176,223</b>	<b>160,931</b>

# BlackRock Catholic Charities Growth & Income Fund

## Balance Sheet

at 30 June 2021

	Notes	30.6.2021 £000's	30.6.2020 £000's
<b>Assets:</b>			
Fixed assets			
– Investment assets		176,690	158,065
Current assets			
– Debtors	9	593	898
– Cash and bank balances	10	1,302	6,217
– Cash collateral posted		2,805	–
<b>Total assets</b>		<b>181,390</b>	<b>165,180</b>
<b>Liabilities:</b>			
Investment liabilities		(1,004)	(1,886)
Creditors			
– Distributions payable		(1,130)	(1,883)
– Other creditors	11	(3,033)	(480)
<b>Total liabilities</b>		<b>(5,167)</b>	<b>(4,249)</b>
<b>Net assets attributable to unitholders</b>		<b>176,223</b>	<b>160,931</b>

M T Zemek (Director)

G D Bamping (Director)

BlackRock Fund Managers Limited

27 August 2021

# BlackRock Catholic Charities Growth & Income Fund

## Notes to Financial Statements

for the year ended 30 June 2021

### 1. Accounting and Distribution Policies

The accounting and distribution policies are set out on pages 25 to 27.

### 2. Financial Instruments and Risks

The financial instruments and risks are set out on pages 28 to 43.

### 3. Net Capital Gains/(Losses)

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
The net capital gains/(losses) comprise:		
Gains/(losses) on non-derivative securities	21,930	(7,141)
Gains on derivative securities	1,048	2,863
Currency (losses)/gains	(210)	72
Manager's charge rebates	24	12
Custodian transaction costs	(23)	(7)
<b>Net capital gains/(losses)</b>	<b>22,769</b>	<b>(4,201)</b>

Net gains (excluding transaction costs and management charge rebates) listed above of £22,768,000 comprise net realised gains of £4,593,000 and net unrealised gains of £18,175,000 (2020: £(4,206,000) comprising net realised losses of £(1,546,000) and net unrealised losses of £(2,660,000)).

# BlackRock Catholic Charities Growth & Income Fund

## Notes to Financial Statements

### 4. Revenue

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Equity distributions on CIS holdings	442	261
Interest from overseas fixed interest securities	20	12
Interest from UK bank deposits	–	5
Interest from UK fixed interest securities	135	116
Manager's charge rebates	63	24
Option premiums	754	1,467
Overseas dividends	1,819	1,154
Returns from bond futures	6	16
Revenue from short-term money market funds	1	5
Revenue from total return swaps	2	–
Stock dividends	56	42
UK dividends	1,942	896
UK REIT dividends	166	57
US REIT dividends	3	–
<b>Total revenue</b>	<b>5,409</b>	<b>4,055</b>

### 5. Expenses

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Payable to the Manager or associates of the Manager:		
– Manager's charge	883	462
	883	462
Other expenses:		
– Audit fee	3	3
– Legal and other professional fees	1	21
– Safe custody fees	10	4
– Trustee's fees	23	12
	37	40
<b>Total expenses</b>	<b>920</b>	<b>502</b>

# BlackRock Catholic Charities Growth & Income Fund

## Notes to Financial Statements

### 6. Interest Payable and Similar Charges

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Interest on bank overdrafts	4	3
Interest on collateral	–	1
Interest paid on margin deposits	4	–
Returns from short position bond futures	34	–
<b>Total interest payable and similar charges</b>	<b>42</b>	<b>4</b>

### 7. Taxation

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Overseas tax	48	33
<b>Total tax charge [see note(b)]</b>	<b>48</b>	<b>33</b>

# BlackRock Catholic Charities Growth & Income Fund

## Notes to Financial Statements

### 8. Distributions

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
First distribution	1,185	–
Second distribution	1,202	69
Third distribution	1,218	1,205
Final distribution	1,235	2,090
	4,840	3,364
Add: Movement in Income Reserve Account [see note 15]	247	575
Add: Amounts deducted on cancellation of units	177	10
Less: Amounts received on issue of units	(47)	–
<b>Distributions</b>	<b>5,217</b>	<b>3,949</b>

The distributable amount has been calculated as follows:

Net revenue after taxation	4,399	3,516
Add: Management expenses reimbursed by capital	818	433
<b>Distributions</b>	<b>5,217</b>	<b>3,949</b>

### 9. Debtors

	30.6.2021 £000's	30.6.2020 £000's
Accrued Manager's charge rebates	35	14
Accrued revenue	285	499
Overseas tax recoverable	25	16
Sales awaiting settlement	248	369
<b>Total debtors</b>	<b>593</b>	<b>898</b>

### 10. Cash and Bank Balances

	30.6.2021 £000's	30.6.2020 £000's
Amount held at futures clearing houses and brokers	1,302	1,633
Cash and bank balances	–	4,584
<b>Total cash and bank balances</b>	<b>1,302</b>	<b>6,217</b>

# BlackRock Catholic Charities Growth & Income Fund

## Notes to Financial Statements

### 11. Other Creditors

	30.6.2021 £000's	30.6.2020 £000's
Accrued Audit fee	3	3
Accrued Legal and other professional fees	17	17
Accrued Manager's charge	318	194
Accrued Safe custody fees	5	4
Accrued Trustee's fee	9	5
Amounts payable for cancellation of units	2,500	–
Custodian transaction costs	6	6
Purchases awaiting settlement	175	251
<b>Total other creditors</b>	<b>3,033</b>	<b>480</b>

### 12. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (30 June 2020: £Nil).

### 13. Credit Facility

The Fund entered into a credit facility with JPMorgan whereby JPMorgan, together with other syndicated lenders, made a USD 475 million credit facility available to the Fund. The USD 475 million credit facility will be allocated to the Fund based on the credit facility agreement dated 23 April 2021. This credit facility may be utilised by the Fund for temporary funding purposes, including, without limitation, the funding of investor redemptions. Any interest and commitment fees in relation to drawdowns from such credit facility are paid out of the assets of the Fund.

### 14. 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 30 June 2021:

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. During the year PNC Financial Services Group, Inc. ("PNC"), was a substantial shareholder in BlackRock, Inc. PNC did not provide any services to the Fund during the year/period ended 30 June 2021 and 30 June 2020. As at 30 June 2021, PNC is no longer an affiliate of the Entity.

# BlackRock Catholic Charities Growth & Income Fund

## Notes to Financial Statements

### 14. Related Parties

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. Any amounts due to or from the Manager at the year end are disclosed in notes 9 and 11. Management fees paid to the Manager are shown in note 5. The balances due at the year end in respect of these fees are shown in note 11.

The Fund may invest in other Collective Investment Schemes ("CIS"), which may or may not be operated and/or managed by an affiliate of the Manager. As an investor in such other CIS, in addition to the fees, costs and expenses payable by a unitholder in the Fund, each unitholder may also indirectly bear a portion of the fees, costs and expenses of the underlying CIS, including management, investment management and administration and other expenses. However, in respect of investments made in any other investment fund whose manager is an affiliate of the Manager, the Fund will invest, where possible, in classes of the underlying funds which are not subject to any management charges. Alternatively, where this is not possible, the Manager will rebate management charges to the Fund. The Fund will not be subject to any preliminary/initial sales fee in respect of investments made in any other investment fund whose manager is an affiliate of the Manager, although it may be subject to duties and charges in respect of subscriptions and redemptions in such investment funds.

As at 30 June 2021 and 30 June 2020, **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.

All related party transactions were carried out at arm's length in the ordinary course of business. The terms and returns received by the related parties in making the investments above were no more favourable than those received by other investors investing into the same unit class.

### 15. Income Reserve Account

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Balance at the beginning of the year/period	2,874	2,299
Adjustment to opening reserve	178	–
Increase in undistributed revenue	247	575
<b>Balance at the end of the year/period</b>	<b>3,299</b>	<b>2,874</b>



# BlackRock Catholic Charities Growth & Income Fund

## Notes to Financial Statements

### 16. Portfolio Transaction Costs

For the year ended 30 June 2021

	Direct Transaction Costs					
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%	
<b>Purchases (excluding derivatives)</b>						
Equity instruments	33,155	17	0.05	5	0.02	
Debt instruments	21,543	–	–	–	–	
Collective investment schemes	42,311	7	0.02	–	–	
<b>Total purchases</b>	<b>97,009</b>	<b>24</b>		<b>5</b>		
<b>Total purchases including transaction costs</b>	<b>97,038</b>					

	Direct Transaction Costs					
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%	
<b>Sales (excluding derivatives)</b>						
Equity instruments	30,220	13	0.04	–	–	
Debt instruments	23,780	–	–	–	–	
Collective investment schemes	52,087	16	0.03	–	–	
<b>Total sales</b>	<b>106,087</b>	<b>29</b>		<b>–</b>		
<b>Total sales net of transaction costs</b>	<b>106,058</b>					
<b>Derivative transaction costs</b>		<b>18</b>		<b>–</b>		
<b>Total transaction costs</b>		<b>71</b>		<b>5</b>		
<b>Total transaction costs as a % of average net assets</b>		<b>0.04%</b>		<b>0.00%</b>		

# BlackRock Catholic Charities Growth & Income Fund

## Notes to Financial Statements

### 16. Portfolio Transaction Costs

For the period from 6 December 2019 to 30 June 2020

Purchases (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	20,582	8	0.04	1	0.00
Debt instruments	22,616	–	–	–	–
Collective investment schemes	34,286	7	0.02	11	0.03
<b>Total purchases</b>	<b>77,484</b>	<b>15</b>		<b>12</b>	
<b>Total purchases including transaction costs</b>	<b>77,511</b>				

Sales (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	26,081	9	0.03	–	–
Debt instruments	24,289	–	–	–	–
Collective investment schemes	21,808	3	0.01	–	–
<b>Total sales</b>	<b>72,178</b>	<b>12</b>		<b>–</b>	
<b>Total sales net of transaction costs</b>	<b>72,166</b>				
<b>Derivative transaction costs</b>		<b>13</b>		<b>–</b>	
<b>Total transaction costs</b>		<b>40</b>		<b>12</b>	
<b>Total transaction costs as a % of average net assets</b>		<b>0.02%</b>		<b>0.01%</b>	

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.

For the Fund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs incurred in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

During the year the Fund utilised FDIs including credit default swaps, futures and total return swaps covering different underlying asset classes. The settlement values for opening and closing derivative positions are not comparable to principal values for transactions in direct holding investments and therefore purchase and sale amounts for derivative transactions are not quantified in the analysis above.

# BlackRock Catholic Charities Growth & Income Fund

## Notes to Financial Statements

### 16. Portfolio Transaction Costs

Transaction costs for derivatives positions will be either incurred as direct costs or form part of the dealing spread for the instruments. Any direct costs are identified in the analysis above. Dealing spread costs incurred by the Fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment

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 0.64% (30 June 2020: 0.64%).

### 17. Units in Issue

The movement in units in issue for the year ended 30 June 2021 is as follows:

	A Income Units	A Accumulation Units
Balance at the beginning of the year	102,559,403	8,100,791
Issued during the year	1,834,459	3,607,501
Cancelled during the year	(1,639,981)	(6,700,657)
<b>Balance at the end of the year</b>	<b>102,753,881</b>	<b>5,007,635</b>

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.

### 18. Subsequent 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 30 June 2021.

Subsequent to the year end, at 12 noon on 20 August 2021, the Net Asset Value ("NAV") per unit moved by more than 20% when compared to the year-end date. The NAV price of the A Accumulation unit decreased by 23.0%. NAV price movements for the other unit classes in issue can be obtained upon request.



# BlackRock Charities Growth & Income Fund

## Performance Record

### Comparative Table

	A Income Units		A Accumulation Units	
	For the year to 30.6.2021	13.6.2019 to 30.6.2020	For the year to 30.6.2021	13.6.2019 to 30.6.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	102.3	100.0	104.3	100.0
Return before operating charges	16.76	5.66	17.17	4.66
Operating charges	(0.55)	(0.57)	(0.56)	(0.38)
Return after operating charges	16.21	5.09	16.61	4.28
Distributions	(2.65)	(2.76)	(2.65)	(2.15)
Retained distributions on accumulation units	N/A	N/A	2.65	2.15
<b>Closing net asset value per unit</b>				
After direct transaction costs of	(0.05)	(0.08)	(0.05)	(0.05)
<b>Performance</b>				
Return after charges <sup>1</sup>	15.85%	5.09%	15.93%	4.28%
<b>Other information</b>				
Closing net asset value (£000's)	45,382	18,177	8,394	7,099
Closing number of units	39,169,385	17,763,533	6,942,125	6,807,883
Operating charges <sup>2</sup>	0.50%	0.54%	0.50%	0.54%
Direct transaction costs <sup>3</sup>	0.05%	0.08%	0.05%	0.11%
<b>Prices</b>				
Highest offer unit price	117.5	107.5	121.9	107.7
Lowest bid unit price	101.6	84.61	103.5	84.79

<sup>1</sup> 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).

<sup>2</sup> 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).

<sup>3</sup> Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of equity instruments, debt instruments and collective investment schemes.

See note 16 for further details.

# BlackRock Charities Growth & Income Fund

## Performance Record

### Comparative Table

	X Accumulation Units		C Income Units	
	For the year to 30.6.2021	13.6.2019 to 30.6.2020	For the year to 30.6.2021	13.6.2019 to 30.6.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	105.7	100.0	99.68	100.0
Return before operating charges	17.45	5.79	16.30	1.83
Operating charges	(0.06)	(0.10)	(0.48)	(0.27)
Return after operating charges	17.39	5.69	15.82	1.56
Distributions	(2.65)	(2.97)	(2.65)	(1.88)
Retained distributions on accumulation units	2.65	2.97	N/A	N/A
<b>Closing net asset value per unit</b>	123.1	105.7	112.9	99.68
After direct transaction costs of	(0.05)	(0.08)	(0.05)	(0.04)
<b>Performance</b>				
Return after charges <sup>1</sup>	16.45%	5.69%	15.87%	1.56%
<b>Other information</b>				
Closing net asset value (£000's)	11,684	10,822	89,451	55,089
Closing number of units	9,492,427	10,238,724	79,268,074	55,264,781
Operating charges <sup>2</sup>	0.05%	0.09%	0.45%	0.47%
Direct transaction costs <sup>3</sup>	0.05%	0.08%	0.05%	0.13%
<b>Prices</b>				
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Highest offer unit price	124.1	109.0	120.2	110.0
Lowest bid unit price	104.9	85.83	98.95	82.46

<sup>1</sup> 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).

<sup>2</sup> 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).

<sup>3</sup> Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of equity instruments, debt instruments and collective investment schemes.

See note 16 for further details.

# BlackRock Charities Growth & Income Fund

## Performance Record

### Comparative Table

	C Accumulation Units	
	For the year to 30.6.2021	13.6.2019 to 30.6.2020
	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>		
Opening net asset value per unit	102.7	100.0
Return before operating charges	16.91	2.93
Operating charges	(0.50)	(0.26)
Return after operating charges	16.41	2.67
Distributions	(2.65)	(1.77)
Retained distributions on accumulation units	2.65	1.77
<b>Closing net asset value per unit</b>	119.1	102.7
After direct transaction costs of	(0.05)	(0.04)
<b>Performance</b>		
Return after charges <sup>1</sup>	15.98%	2.67%
<b>Other information</b>		
Closing net asset value (£000's)	31,215	17,245
Closing number of units	26,207,361	16,796,848
Operating charges <sup>2</sup>	0.45%	0.48%
Direct transaction costs <sup>3</sup>	0.05%	0.15%
<b>Prices</b>		
Highest offer unit price	126.1	111.3
Lowest bid unit price	101.9	83.47

<sup>1</sup> 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).

<sup>2</sup> 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).

<sup>3</sup> Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of equity instruments, debt instruments and collective investment schemes.

See note 16 for further details.

# BlackRock Charities Growth & Income Fund

## Distribution Tables

for the year ended 30 June 2021

### Final Distribution in Pence per Unit

For the period from 1 April 2021 to 30 June 2021

	A Income Units	A Accumulation Units
Distribution paid 20.7.2021	0.7000	0.7000
Distribution paid 20.7.2020	1.0372	1.1436

---

	X Accumulation Units	C Income Units
Distribution paid 20.7.2021	0.7000	0.7000
Distribution paid 20.7.2020	1.0836	1.1450

---

	C Accumulation Units
Distribution paid 20.7.2021	0.7000
Distribution paid 20.7.2020	1.1895

### Third Interim Distribution in Pence per Unit

For the period from 1 January 2021 to 31 March 2021

	A Income Units	A Accumulation Units
Distribution paid 20.4.2021	0.6500	0.6500
Distribution paid 20.4.2020	0.6000	0.5696

---

	X Accumulation Units	C Income Units
Distribution paid 20.4.2021	0.6500	0.6500
Distribution paid 20.4.2020	0.6595	0.5182

---

	C Accumulation Units
Distribution paid 20.4.2021	0.6500
Distribution paid 20.4.2020	0.4983



# BlackRock Charities Growth & Income Fund

## Distribution Tables

### Second Interim Distribution in Pence per Unit

For the period from 1 October 2020 to 31 December 2020

	A Income Units	A Accumulation Units
Distribution paid 20.1.2021	0.6500	0.6500
Distribution paid 20.1.2020	0.6000	0.4353

  

	X Accumulation Units	C Income Units
Distribution paid 20.1.2021	0.6500	0.6500
Distribution paid 20.1.2020	0.6470	0.2119

  

	C Accumulation Units
Distribution paid 20.1.2021	0.6500
Distribution paid 20.1.2020	0.0773

### First Interim Distribution in Pence per Unit

For the period from 1 July 2020 to 30 September 2020

	A Income Units	A Accumulation Units
Distribution paid 20.10.2020	0.6500	0.6500
Distribution paid 20.10.2019	0.4500	N/A

  

	X Accumulation Units	C Income Units
Distribution paid 20.10.2020	0.6500	0.6500
Distribution paid 20.10.2019	0.4918	N/A

  

	C Accumulation Units
Distribution paid 20.10.2020	0.6500
Distribution paid 20.10.2019	N/A

# BlackRock Charities Growth & Income Fund

## Portfolio Statement

at 30 June 2021

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets	Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets	
<b>EQUITIES – 44.29%; 30.6.2020 38.25%</b>				232 Kering				147 0.08
<b>AUSTRALIA – 0.76%; 30.6.2020 0.50%</b>				<b>Banks – 0.05%; 30.6.2020 0.00%</b>				230 0.12
Mining – 0.76%; 30.6.2020 0.50%	66,086 BHP	1,412	0.76	4,804 Societe Generale		101	0.05	
<b>AUSTRIA – 0.02%; 30.6.2020 0.00%</b>				<b>Commercial Services – 0.07%; 30.6.2020 0.08%</b>				135 0.07
Electricity – 0.01%; 30.6.2020 0.00%	306 Verbund	20	0.01	2,003 Worldline		135	0.07	
<b>Machinery Diversified – 0.01%; 30.6.2020 0.00%</b>				<b>Computers – 0.00%; 30.6.2020 0.12%</b>				
	538 Andritz	22	0.01	<b>Cosmetics &amp; Personal Care – 0.04%; 30.6.2020 0.08%</b>				
<b>BELGIUM – 0.01%; 30.6.2020 0.00%</b>				220 L'Oreal				71 0.04
Chemicals – 0.01%; 30.6.2020 0.00%	509 Umicore	22	0.01	<b>Electrical Components &amp; Equipment – 0.01%; 30.6.2020 0.00%</b>				
<b>BERMUDA – 0.34%; 30.6.2020 0.42%</b>				145 Schneider Electric				16 0.01
Insurance – 0.34%; 30.6.2020 0.42%	75,085 Hiscox	636	0.34	<b>Engineering &amp; Construction – 0.08%; 30.6.2020 0.00%</b>				
<b>BRAZIL – 0.03%; 30.6.2020 0.06%</b>				4,664 SPIE				78 0.04
Diversified Financial Services – 0.03%; 30.6.2020 0.06%	1,517 Pagueguro Digital	62	0.03	1,004 Vinci		78	0.04	
<b>CANADA – 0.05%; 30.6.2020 0.00%</b>								156 0.08
Insurance – 0.00%; 30.6.2020 0.00%	18 Brookfield Asset Management Reinsurance Partners	1	0.00	<b>Food Services – 0.04%; 30.6.2020 0.00%</b>				
<b>Private Equity – 0.05%; 30.6.2020 0.00%</b>				1,150 Sodexo				76 0.04
	2,615 Brookfield Asset Management	99	0.05	<b>Healthcare Products – 0.05%; 30.6.2020 0.00%</b>				
<b>DENMARK – 0.22%; 30.6.2020 0.08%</b>				671 EssilorLuxottica				90 0.05
Alternative Energy Sources – 0.06%; 30.6.2020 0.00%	3,695 Vestas Wind Systems	103	0.06	<b>Insurance – 0.03%; 30.6.2020 0.00%</b>				
<b>Building Materials – 0.06%; 30.6.2020 0.00%</b>				3,387 AXA				62 0.03
Building Materials – 0.06%; 30.6.2020 0.00%	303 Rockwool International	106	0.06	<b>Lodging – 0.04%; 30.6.2020 0.00%</b>				
Electricity – 0.04%; 30.6.2020 0.00%	797 Orsted	80	0.04	2,927 Accor				78 0.04
<b>Pharmaceuticals – 0.06%; 30.6.2020 0.08%</b>				<b>Pharmaceuticals – 0.00%; 30.6.2020 0.08%</b>				
	1,938 Novo Nordisk	118	0.06	<b>Water – 0.07%; 30.6.2020 0.00%</b>				
<b>FRANCE – 0.60%; 30.6.2020 0.50%</b>				7,145 Suez				123 0.07
Apparel – 0.12%; 30.6.2020 0.14%	79 Hermes International	83	0.04	<b>GERMANY – 0.44%; 30.6.2020 0.38%</b>				
				Airlines – 0.02%; 30.6.2020 0.00%				
				4,624 Deutsche Lufthansa				37 0.02
				<b>Alternative Energy Sources – 0.08%; 30.6.2020 0.00%</b>				
				8,782 Nordex				153 0.08
				<b>Apparel – 0.03%; 30.6.2020 0.14%</b>				
				235 adidas				63 0.03
				<b>Automobile Manufacturers – 0.08%; 30.6.2020 0.12%</b>				
				944 Bayerische Motoren Werke				72 0.04
				1,200 Daimler				77 0.04
								149 0.08

# BlackRock Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>Automobile Parts &amp; Equipment – 0.00%; 30.6.2020 0.05%</b>			
<b>Chemicals – 0.01%; 30.6.2020 0.00%</b>			
897	Evonik Industries	22	0.01
<b>Electrical Components &amp; Equipment – 0.05%; 30.6.2020 0.00%</b>			
2,157	SMA Solar Technology	87	0.05
<b>Entertainment – 0.04%; 30.6.2020 0.00%</b>			
1,706	CTS Eventim	77	0.04
<b>Miscellaneous Manufacturing – 0.04%; 30.6.2020 0.07%</b>			
591	Siemens	68	0.04
<b>Retail – 0.09%; 30.6.2020 0.00%</b>			
2,586	Hugo Boss	101	0.05
841	Zalando	73	0.04
		<b>174</b>	<b>0.09</b>
<b>IRELAND – 0.74%; 30.6.2020 0.36%</b>			
<b>Building Materials – 0.05%; 30.6.2020 0.00%</b>			
1,407	Kingspan	97	0.05
<b>Computers – 0.07%; 30.6.2020 0.00%</b>			
2,129	Seagate Technology	135	0.07
<b>Investment Companies – 0.00%; 30.6.2020 0.03%</b>			
<b>Retail – 0.62%; 30.6.2020 0.33%</b>			
98,951	Grafton	1,148	0.62
<b>ISRAEL – 0.05%; 30.6.2020 0.11%</b>			
<b>Computers – 0.05%; 30.6.2020 0.11%</b>			
484	Check Point Software Technologies	41	0.02
977	Cognyte Software	17	0.01
416	CyberArk Software	40	0.02
		<b>98</b>	<b>0.05</b>
<b>ITALY – 0.04%; 30.6.2020 0.00%</b>			
<b>Electricity – 0.04%; 30.6.2020 0.00%</b>			
13,395	Terna	72	0.04
<b>JAPAN – 0.10%; 30.6.2020 0.19%</b>			
<b>Automobile Manufacturers – 0.09%; 30.6.2020 0.07%</b>			
2,700	Honda Motor	63	0.03
1,800	Toyota Motor	114	0.06
		<b>177</b>	<b>0.09</b>

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>Machinery Diversified – 0.00%; 30.6.2020 0.07%</b>			
<b>Software – 0.01%; 30.6.2020 0.05%</b>			
1,900	FFRI Security	25	0.01
<b>NETHERLANDS – 1.55%; 30.6.2020 1.05%</b>			
<b>Chemicals – 0.01%; 30.6.2020 0.00%</b>			
132	Koninklijke DSM	18	0.01
<b>Commercial Services – 0.10%; 30.6.2020 0.12%</b>			
68	Adyen	120	0.06
1,187	Randstad	65	0.04
		<b>185</b>	<b>0.10</b>
<b>Oil &amp; Gas Producers – 1.44%; 30.6.2020 0.93%</b>			
191,863	Royal Dutch Shell	2,676	1.44
<b>NORWAY – 0.07%; 30.6.2020 0.00%</b>			
<b>Environmental Control – 0.07%; 30.6.2020 0.00%</b>			
3,106	TOMRA Systems	125	0.07
<b>POLAND – 0.07%; 30.6.2020 0.00%</b>			
<b>Apparel – 0.07%; 30.6.2020 0.00%</b>			
51	LPP	126	0.07
<b>SPAIN – 0.17%; 30.6.2020 0.04%</b>			
<b>Alternative Energy Sources – 0.06%; 30.6.2020 0.00%</b>			
4,440	Siemens Gamesa Renewable Energy	105	0.06
<b>Banks – 0.04%; 30.6.2020 0.04%</b>			
25,861	Banco Santander	72	0.04
<b>Electricity – 0.01%; 30.6.2020 0.00%</b>			
970	EDP Renovaveis	16	0.01
<b>Engineering &amp; Construction – 0.03%; 30.6.2020 0.00%</b>			
3,089	Ferrovial	65	0.03
<b>Retail – 0.03%; 30.6.2020 0.00%</b>			
2,522	Industria de Diseno Textil	64	0.03
<b>SWEDEN – 0.21%; 30.6.2020 0.00%</b>			
<b>Building Materials – 0.08%; 30.6.2020 0.00%</b>			
19,356	Nibe Industrier	148	0.08
<b>Electronics – 0.05%; 30.6.2020 0.00%</b>			
3,899	Assa Abloy	85	0.05
<b>Miscellaneous Manufacturing – 0.05%; 30.6.2020 0.00%</b>			
3,585	Alfa Laval	92	0.05
<b>Retail – 0.03%; 30.6.2020 0.00%</b>			
3,755	H & M Hennes & Mauritz	64	0.03

# BlackRock Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>SWITZERLAND – 0.13%; 30.6.2020 0.15%</b>			
<b>Banks – 0.03%; 30.6.2020 0.00%</b>			
	5,787 UBS	64	0.03
<b>Commercial Services – 0.01%; 30.6.2020 0.00%</b>			
	9 SGS	20	0.01
<b>Food Producers – 0.03%; 30.6.2020 0.07%</b>			
	714 Nestle	65	0.03
<b>Pharmaceuticals – 0.06%; 30.6.2020 0.08%</b>			
	392 Roche	107	0.06
<b>UNITED ARAB EMIRATES – 0.04%; 30.6.2020 0.00%</b>			
<b>Diversified Financial Services – 0.04%; 30.6.2020 0.00%</b>			
	22,367 Network International	81	0.04
<b>UNITED KINGDOM – 32.02%; 30.6.2020 26.73%</b>			
<b>Advertising – 0.05%; 30.6.2020 0.00%</b>			
	9,839 WPP	96	0.05
<b>Alternative Energy Sources – 0.00%; 30.6.2020 0.70%</b>			
<b>Apparel – 0.10%; 30.6.2020 0.48%</b>			
	9,158 Burberry	188	0.10
<b>Banks – 2.66%; 30.6.2020 1.80%</b>			
	52,502 Barclays	89	0.05
	22,851 HSBC	95	0.05
	3,086,726 Lloyds Banking	1,434	0.77
	716,300 Natwest	1,445	0.78
	408,128 Standard Chartered	1,877	1.01
		<b>4,940</b>	<b>2.66</b>
<b>Chemicals – 0.04%; 30.6.2020 0.00%</b>			
	2,615 Johnson Matthey	81	0.04
<b>Commercial Services – 2.82%; 30.6.2020 1.90%</b>			
	181,568 Capita	69	0.04
	563,115 Hays	890	0.48
	149,262 RELX	2,852	1.53
	287,672 Rentokil Initial	1,426	0.77
		<b>5,237</b>	<b>2.82</b>
<b>Computers – 0.04%; 30.6.2020 0.07%</b>			
	25,939 NCC	77	0.04
<b>Cosmetics &amp; Personal Care – 1.39%; 30.6.2020 1.37%</b>			
	60,911 Unilever	2,579	1.39
<b>Distribution &amp; Wholesale – 1.24%; 30.6.2020 0.47%</b>			
	21,219 Ferguson	2,156	1.16

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
	8,250 Travis Perkins	141	0.08
		<b>2,297</b>	<b>1.24</b>
<b>Diversified Financial Services – 0.26%; 30.6.2020 0.00%</b>			
	94,826 IntegraFin	490	0.26
<b>Electricity – 0.01%; 30.6.2020 0.00%</b>			
	1,332 SSE	20	0.01
<b>Electronics – 0.71%; 30.6.2020 0.00%</b>			
	126,312 Electrocomponents	1,295	0.70
	583 Halma	16	0.01
		<b>1,311</b>	<b>0.71</b>
<b>Engineering &amp; Construction – 0.00%; 30.6.2020 0.29%</b>			
<b>Entertainment – 0.07%; 30.6.2020 0.00%</b>			
	156,403 Cineworld	122	0.07
<b>Environmental Control – 0.10%; 30.6.2020 0.00%</b>			
	19,249 Biffa	63	0.03
	2,506 Pentair	121	0.07
		<b>184</b>	<b>0.10</b>
<b>Food Producers – 1.10%; 30.6.2020 1.61%</b>			
	7,748 Greggs	199	0.11
	58,331 Marks & Spencer	85	0.05
	55,910 SSP	147	0.08
	81,700 Tate & Lyle	609	0.33
	447,102 Tesco	995	0.53
		<b>2,035</b>	<b>1.10</b>
<b>Food Services – 0.09%; 30.6.2020 0.00%</b>			
	11,315 Compass	169	0.09
<b>Gas – 0.00%; 30.6.2020 1.10%</b>			
<b>Healthcare Products – 1.11%; 30.6.2020 0.71%</b>			
	131,085 Smith & Nephew	2,068	1.11
<b>Home Builders – 1.22%; 30.6.2020 0.80%</b>			
	11,796 Barratt Developments	82	0.04
	929 Bellway	30	0.02
	17,463 Berkeley	803	0.43
	8,135 Crest Nicholson	35	0.02
	998 Persimmon	29	0.02
	4,861 Redrow	30	0.02
	783,979 Taylor Wimpey	1,242	0.67
		<b>2,251</b>	<b>1.22</b>
<b>Household Products – 1.65%; 30.6.2020 1.65%</b>			
	47,835 Reckitt Benckiser	3,073	1.65

# BlackRock Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>Insurance – 2.17%; 30.6.2020 1.52%</b>			
320,682	Direct Line Insurance	922	0.50
169,837	Phoenix	1,137	0.61
141,743	Prudential	1,969	1.06
		<b>4,028</b>	<b>2.17</b>
<b>Internet – 0.83%; 30.6.2020 0.61%</b>			
153,073	Moonpig	666	0.36
14,082	Rightmove	91	0.05
119,871	THG	734	0.39
16,603	Trainline	48	0.03
		<b>1,539</b>	<b>0.83</b>
<b>Investment Companies – 1.56%; 30.6.2020 0.98%</b>			
2,493,931	Sdcl Energy Efficiency Income Trust	<b>2,905</b>	<b>1.56</b>
<b>Leisure Time – 0.08%; 30.6.2020 0.00%</b>			
18,498	On the Beach	60	0.03
22,757	Saga	91	0.05
		<b>151</b>	<b>0.08</b>
<b>Lodging – 0.71%; 30.6.2020 0.49%</b>			
2,859	InterContinental Hotels	136	0.07
37,717	Whitbread	1,182	0.64
		<b>1,318</b>	<b>0.71</b>
<b>Machinery Diversified – 0.03%; 30.6.2020 0.00%</b>			
2,490	CNH Industrial	29	0.02
125	Spirax-Sarco Engineering	17	0.01
		<b>46</b>	<b>0.03</b>
<b>Media – 0.18%; 30.6.2020 0.16%</b>			
30,718	Informa	153	0.08
147,042	ITV	183	0.10
		<b>336</b>	<b>0.18</b>
<b>Metal &amp; Hardware – 0.50%; 30.6.2020 0.30%</b>			
109,486	Bodycote	<b>922</b>	<b>0.50</b>
<b>Mining – 2.22%; 30.6.2020 1.97%</b>			
68,973	Rio Tinto	<b>4,135</b>	<b>2.22</b>
<b>Miscellaneous Manufacturing – 0.91%; 30.6.2020 0.00%</b>			
106,566	Smiths	<b>1,689</b>	<b>0.91</b>
<b>Oil &amp; Gas Producers – 1.05%; 30.6.2020 0.82%</b>			
623,784	BP	<b>1,956</b>	<b>1.05</b>
<b>Pharmaceuticals – 2.95%; 30.6.2020 2.92%</b>			
53,627	AstraZeneca	4,661	2.50

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
59,416	GlaxoSmithKline	844	0.45
		<b>5,505</b>	<b>2.95</b>
<b>Private Equity – 1.31%; 30.6.2020 0.73%</b>			
121,371	3i	1,427	0.77
46,526	Intermediate Capital	1,002	0.54
		<b>2,429</b>	<b>1.31</b>
<b>Real Estate Investment &amp; Services – 0.02%; 30.6.2020 0.00%</b>			
9,797	Grainger	<b>28</b>	<b>0.02</b>
<b>Real Estate Investment Trusts – 1.48%; 30.6.2020 1.61%</b>			
5,133	British Land	25	0.01
796	Derwent London	26	0.01
3,926	Great Portland Estates	28	0.02
103,564	Hammerson	39	0.02
3,865	Land	26	0.01
4,233	Shaftesbury	24	0.01
2,383,073	Triple Point Social Housing Reit	2,474	1.33
2,679	UNITE	28	0.02
10,210	Workspace	84	0.05
		<b>2,754</b>	<b>1.48</b>
<b>Retail – 0.96%; 30.6.2020 0.85%</b>			
10,058	JD Sports Fashion	92	0.05
12,592	Next	987	0.53
43,732	WH Smith	688	0.37
9,245	Wickes	23	0.01
		<b>1,790</b>	<b>0.96</b>
<b>Telecommunications – 0.22%; 30.6.2020 0.54%</b>			
342,983	Vodafone	<b>416</b>	<b>0.22</b>
<b>Transportation – 0.16%; 30.6.2020 0.00%</b>			
97,807	Firstgroup	80	0.04
7,256	Go-Ahead	82	0.04
28,695	National Express	77	0.04
91,270	Stagecoach	76	0.04
		<b>315</b>	<b>0.16</b>
<b>Water – 0.02%; 30.6.2020 0.28%</b>			
1,451	Pennon	16	0.01
1,695	United Utilities	16	0.01
		<b>32</b>	<b>0.02</b>
<b>UNITED STATES OF AMERICA – 6.63%; 30.6.2020 7.68%</b>			
<b>Airlines – 0.12%; 30.6.2020 0.00%</b>			
1,869	Alaska Air	81	0.04

# BlackRock Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets	Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
2,432	Delta Air Lines	75	0.04	<b>Computers – 0.76%; 30.6.2020 1.29%</b>			
6,447	JetBlue Airways	78	0.04	3,018	Apple	297	0.16
		<b>234</b>	<b>0.12</b>	10,448	Conduent	57	0.03
<b>Alternative Energy Sources – 0.09%; 30.6.2020 0.00%</b>				1,920	Fortinet	337	0.18
1,537	First Solar	103	0.06	7,683	Hewlett Packard Enterprise	80	0.04
1,344	Sunrun	55	0.03	686	International Business Machines	72	0.04
		<b>158</b>	<b>0.09</b>	1,512	NetApp	91	0.05
<b>Apparel – 0.05%; 30.6.2020 0.08%</b>				4,021	OneSpan	76	0.04
587	Nike	66	0.04	630	Qualys	47	0.03
1,565	Under Armour	24	0.01	1,041	Rapid7	71	0.04
		<b>90</b>	<b>0.05</b>	4,006	SecureWorks	59	0.03
<b>Automobile Parts &amp; Equipment – 0.04%; 30.6.2020 0.00%</b>				2,658	Varonis Systems	115	0.06
10,285	American Axle & Manufacturing	76	0.04	713	Zscaler	114	0.06
						<b>1,416</b>	<b>0.76</b>
<b>Banks – 0.26%; 30.6.2020 0.13%</b>				<b>Cosmetics &amp; Personal Care – 0.09%; 30.6.2020 0.14%</b>			
1,686	Citigroup	85	0.05	1,428	Colgate-Palmolive	84	0.05
2,656	Citizens Financial	88	0.05	328	Estee Lauder Cos	75	0.04
504	Goldman Sachs	135	0.07			<b>159</b>	<b>0.09</b>
768	JPMorgan Chase	85	0.05	<b>Diversified Financial Services – 0.41%; 30.6.2020 0.40%</b>			
1,273	Morgan Stanley	83	0.04	837	American Express	99	0.05
		<b>476</b>	<b>0.26</b>	874	Mastercard	232	0.12
<b>Beverages – 0.09%; 30.6.2020 0.13%</b>				4,061	Santander Consumer USA	105	0.06
2,712	Coca-Cola	105	0.06	2,020	Visa	344	0.18
556	PepsiCo	59	0.03			<b>780</b>	<b>0.41</b>
		<b>164</b>	<b>0.09</b>	<b>Electrical Components &amp; Equipment – 0.01%; 30.6.2020 0.00%</b>			
<b>Biotechnology – 0.06%; 30.6.2020 0.09%</b>				309	EnerSys	22	0.01
591	Amgen	103	0.06	<b>Electricity – 0.07%; 30.6.2020 0.00%</b>			
<b>Chemicals – 0.10%; 30.6.2020 0.00%</b>				5,625	Evoqua Water Technologies	135	0.07
3,873	Axalta Coating Systems	85	0.05	<b>Electronics – 0.02%; 30.6.2020 0.08%</b>			
681	Ecolab	102	0.05	261	Badger Meter	19	0.01
		<b>187</b>	<b>0.10</b>	415	Trimble	25	0.01
<b>Commercial Services – 0.28%; 30.6.2020 0.39%</b>						<b>44</b>	<b>0.02</b>
2,411	Avis Budget	138	0.07	<b>Engineering &amp; Construction – 0.03%; 30.6.2020 0.00%</b>			
337	Euronet Worldwide	33	0.02	505	Aecom	23	0.01
1,817	Evo Payments	36	0.02	439	MasTec	33	0.02
349	Global Payments	47	0.03			<b>56</b>	<b>0.03</b>
477	PayPal	101	0.05	<b>Entertainment – 0.04%; 30.6.2020 0.00%</b>			
357	Quanta Services	23	0.01	5,145	Cinemark	81	0.04
778	Square	140	0.08	<b>Environmental Control – 0.14%; 30.6.2020 0.00%</b>			
		<b>518</b>	<b>0.28</b>	2,038	CECO Environmental	11	0.01

# BlackRock Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
1,398	Republic Services	111	0.06
1,237	Tetra Tech	108	0.06
163	Waste Management	16	0.01
		<b>246</b>	<b>0.14</b>
<b>Food Producers – 0.08%; 30.6.2020 0.00%</b>			
1,371	Sysco	75	0.04
2,895	US Foods	77	0.04
		<b>152</b>	<b>0.08</b>
<b>Household Products – 0.03%; 30.6.2020 0.00%</b>			
593	Kimberly-Clark	<b>57</b>	<b>0.03</b>
<b>Internet – 0.84%; 30.6.2020 1.53%</b>			
161	Alphabet	284	0.15
76	Amazon.com	189	0.10
1,641	eBay	83	0.04
1,035	F5 Networks	142	0.08
531	Facebook	135	0.07
3,796	FireEye	56	0.03
1,229	Mimecast	48	0.03
7,712	NortonLifeLock	152	0.08
423	Okta	76	0.04
748	Palo Alto Networks	202	0.11
500	Proofpoint	63	0.03
714	VeriSign	118	0.06
6,057	Zix	32	0.02
		<b>1,580</b>	<b>0.84</b>
<b>Leisure Time – 0.00%; 30.6.2020 0.03%</b>			
<b>Machinery Diversified – 0.23%; 30.6.2020 0.00%</b>			
257	Agco	24	0.01
548	Deere	138	0.07
167	Dover	18	0.01
1,223	Watts Water Technologies	127	0.07
1,489	Xylem	128	0.07
		<b>435</b>	<b>0.23</b>
<b>Media – 0.08%; 30.6.2020 0.05%</b>			
2,378	Discovery	52	0.03
765	Walt Disney	96	0.05
		<b>148</b>	<b>0.08</b>
<b>Miscellaneous Manufacturing – 0.09%; 30.6.2020 0.00%</b>			
427	A O Smith	22	0.01
2,672	Donaldson	121	0.07
176	Eaton	19	0.01
		<b>162</b>	<b>0.09</b>

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>Office &amp; Business Equipment – 0.10%; 30.6.2020 0.09%</b>			
480	Zebra Technologies	<b>186</b>	<b>0.10</b>
<b>Oil &amp; Gas Producers – 0.20%; 30.6.2020 0.00%</b>			
1,160	Chevron	87	0.05
2,207	ConocoPhillips	94	0.05
2,099	Exxon Mobil	95	0.05
1,602	Valero Energy	89	0.05
		<b>365</b>	<b>0.20</b>
<b>Oil &amp; Gas Services – 0.05%; 30.6.2020 0.00%</b>			
5,295	Halliburton	<b>87</b>	<b>0.05</b>
<b>Pharmaceuticals – 0.00%; 30.6.2020 0.07%</b>			
<b>Real Estate Investment &amp; Services – 0.05%; 30.6.2020 0.00%</b>			
6,854	Cushman & Wakefield	<b>86</b>	<b>0.05</b>
<b>Real Estate Investment Trusts – 0.22%; 30.6.2020 0.00%</b>			
2,495	American Campus Communities	85	0.05
1,763	Kilroy Realty	89	0.05
4,393	Kimco Realty	66	0.04
4,786	Outfront Media	82	0.04
5,556	Park Hotels & Resorts	81	0.04
		<b>403</b>	<b>0.22</b>
<b>Retail – 0.03%; 30.6.2020 0.12%</b>			
783	Starbucks	<b>63</b>	<b>0.03</b>
<b>Semiconductors – 0.60%; 30.6.2020 0.71%</b>			
889	Analog Devices	110	0.06
331	Broadcom	114	0.06
2,005	Intel	82	0.04
3,862	Marvell Technology	164	0.09
893	NVIDIA	516	0.28
4,687	ON Semiconductor	131	0.07
		<b>1,117</b>	<b>0.60</b>
<b>Software – 1.04%; 30.6.2020 1.95%</b>			
336	Adobe	143	0.08
691	Akamai Technologies	59	0.03
471	ANSYS	120	0.06
750	Aspen Technology	76	0.04
1,339	Cadence Design Systems	134	0.07
298	Fair Isaac	110	0.06
2,488	Fidelity National Information Services	255	0.14
2,292	Fiserv	176	0.09
575	Intuit	204	0.11
705	Microsoft	138	0.07

# BlackRock Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
1,731	Oracle	98	0.05
1,060	PTC	108	0.06
613	salesforce.com	109	0.06
1,274	Splunk	132	0.07
977	Verint Systems	32	0.02
526	VMware	61	0.03
		<b>1,955</b>	<b>1.04</b>

### Telecommunications – 0.22%; 30.6.2020 0.34%

8,893	A10 Networks	73	0.04
381	Arista Networks	100	0.05
2,737	Cisco Systems	104	0.06
5,716	CommScope	89	0.05
1,910	Juniper Networks	38	0.02
		<b>404</b>	<b>0.22</b>

### Transportation – 0.00%; 30.6.2020 0.06%

#### Water – 0.11%; 30.6.2020 0.00%

842	American Water Works	94	0.05
3,152	Essential Utilities	105	0.06
163	Global Water Resources	2	0.00
		<b>201</b>	<b>0.11</b>

### BONDS – 8.97%; 30.6.2020 10.28%

#### UK Sterling Denominated Government

##### Bonds – 8.97%; 30.6.2020 10.28%

£8,143,222	United Kingdom Gilt 0.375% 22/10/2030	7,867	4.23
£5,818,337	United Kingdom Gilt 1.75% 22/1/2049	6,527	3.51
£1,682,641	United Kingdom Gilt 4.75% 7/12/2030	2,300	1.23
		<b>16,694</b>	<b>8.97</b>

#### COLLECTIVE INVESTMENT

##### SCHEMES – 39.88%; 30.6.2020 47.48%

#### Equity Funds – 12.94%; 30.6.2020 11.54%

211,231	BlackRock Global Funds - European Equity Income fund†	2,961	1.59
28,741	BlackRock Global Income Fund†	3,881	2.08
540,330	BlackRock Growth and Recovery Fund†	6,289	3.38

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
40,027	BlackRock Strategic Funds - European Unconstrained Equity Fund†	6,750	3.63
1,776,372	Bluefield Solar Income Fund	2,132	1.15
355,274	Bluefield Solar Income Fund Rights 15/7/2021	7	0.00
2,339,238	Schiehallion Fund	2,059	1.11
		<b>24,079</b>	<b>12.94</b>

#### Exchange Traded Funds – 17.99%; 30.6.2020 19.50%

16,888	iShares Core GBP Bond UCITS ETF†	2,597	1.40
612,072	iShares High Yield Bond ESG UCITS ETF†	2,627	1.41
547,836	iShares MSCI Europe SRI UCITS ETF†	3,234	1.74
1,051,697	iShares MSCI Japan SRI UCITS ETF†	4,847	2.60
2,146,224	iShares MSCI USA SRI UCITS ETF†	13,256	7.12
110,516	iShares Physical Gold ETC†	2,734	1.47
1,114,376	iShares USD High Yield Bond ESG UCITS ETF†	4,186	2.25
		<b>33,481</b>	<b>17.99</b>

#### Investment Trusts – 3.96%; 30.6.2020 4.43%

2,948,935	Aquila European Renewables Income Fund Fund	2,756	1.48
789,022	Baillie Gifford US Growth Trust	2,785	1.49
139,977	Scottish Mortgage Investment Trust	1,837	0.99
		<b>7,378</b>	<b>3.96</b>

#### Property Funds – 4.99%; 30.6.2020 7.14%

3,487,602	COIF Charities Property Fund	4,017	2.16
5,715,231	Starwood European Real Estate Finance	5,281	2.83
		<b>9,298</b>	<b>4.99</b>

#### Short-term Money Market Funds – 0.00%; 30.6.2020 4.87%



# BlackRock Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>DERIVATIVES – (0.16%); 30.6.2020 (0.29%)</b>			
<b>Credit Default Swaps – 0.02%; 30.6.2020 0.00%</b>			
(1,800,000)	Goldman Sachs International iTraxx 0% 20/6/2025	41	0.02
<b>Forward Currency Contracts – (0.06%); 30.6.2020 (0.44%)</b>			
€4,370,000	Euro vs Swedish krona	7	0.00
€2,730,000	Euro vs US dollar	(33)	(0.02)
INR 374,782,353	Indian rupee vs US dollar	(16)	0.00
NOK 44,159,710	Norwegian krone vs Euro	(29)	(0.01)
ZAR 52,752,573	South African rand vs US dollar	(140)	(0.08)
£6,841,606	UK sterling vs Euro	37	0.02
£6,310,000	UK sterling vs US dollar	(15)	(0.01)
US\$5,237,702	US dollar vs Euro	68	0.04
US\$5,050,000	US dollar vs Indonesian rupiah	39	0.02
US\$3,870,000	US dollar vs South African rand	(31)	(0.02)
		<b>(113)</b>	<b>(0.06)</b>
<b>Futures – (0.03%); 30.6.2020 (0.02%)</b>			
279	Euro Stoxx 50 September 2021	(43)	(0.02)
(180)	FTSE 100 Index September 2021	183	0.10
29	MSCI Emerging Markets September 2021	(1)	0.00
(8)	NASDAQ 100 E-Mini September 2021	(85)	(0.04)
46	S&P 500 E-Mini September 2021	100	0.05
402	SX5E Dividend December 2023	(12)	(0.01)
(67)	US 10 Year Note (CBT) September 2021	(20)	(0.01)
40	XAF Financial September 2021	(183)	(0.10)
		<b>(61)</b>	<b>(0.03)</b>
<b>Options – 0.12%; 30.6.2020 0.17%</b>			
41	TOPIX Call Option 10/12/2021 2050	77	0.04
41	TOPIX Call Option 10/12/2021 2100	47	0.02
45	TOPIX Call Option 12/11/2021 2050	66	0.04
45	TOPIX Call Option 12/11/2021 2100	37	0.02
		<b>227</b>	<b>0.12</b>
<b>Total Return Swaps – (0.21%); 30.6.2020 0.00%</b>			
3,040,559	Bank of America Merrill Lynch Dow Jones US Select Home 0.556% 23/4/2022	(54)	(0.03)
774	Bank of America Merrill Lynch PHLX Semiconductor Sector SM 0% 17/2/2022	220	0.12
2,634,130	Citibank Commodities Daily Risk - Adjusted Market Neutral Carry Proxy Index 2.25% 17/6/2022	(31)	(0.02)
1,936,860	Goldman Sachs International US NonProfit Tech GTR 0% 23/5/2022	(347)	(0.19)
8,690	Goldman Sachs International Vvol Carry Series 80 Excess Return Stragety Risk Proxy 0% 28/2/2022	30	0.02

# BlackRock Charities Growth & Income Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
6,386,083	Morgan Stanley International EU China Exposure ESG Basket 0% 22/3/2022	(215)	(0.11)
		<b>(397)</b>	<b>(0.21)</b>
<b>Portfolio of investments</b>		<b>173,064</b>	<b>92.98</b>
Net other assets		13,062	7.02
<b>Total net assets</b>		<b>186,126</b>	<b>100.00</b>

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

The counterparties for the forward currency contracts are Bank of America Merrill Lynch, Barclays Bank Plc, BNP Paribas Arbitrage SNC, Citigroup Global Markets Limited, HSBC Bank Plc, Morgan Stanley & Co. International Plc, Standard Chartered Bank, State Street Global Advisors Limited, Toronto-Dominion Bank and UBS AG.

The total return swaps ("TRS") shown in the portfolio statement starting on page 104 are expressed at both their mark-to-market and original notional value, which when added together represent the current notional value of the TRS. The current notional value of a TRS represents the reference amount used to calculate payments between the counterparties to the TRS. The full notional value represents the economic interest in the security underlying the TRS, but does not change hands in full between the counterparties.

† Managed by a related party.

# BlackRock Charities Growth & Income Fund

## Statement of Total Return

for the year ended 30 June 2021

	Notes	£000's	For the year to 30.6.2021 £000's	For the period from 13.6.2019 to 30.6.2020 £000's
Income				
Net capital gains	3		18,835	2,103
Revenue	4	4,124		2,129
Expenses	5	(599)		(207)
Interest payable and similar charges	6	(43)		–
Net revenue before taxation		3,482		1,920
Taxation	7	(26)		(11)
Net revenue after taxation			3,456	1,909
Total return before distributions			22,291	4,012
Distributions	8		(3,866)	(2,022)
<b>Change in net assets attributable to unitholders from investment activities</b>			<b>18,425</b>	<b>1,990</b>

# BlackRock Charities Growth & Income Fund

## Statement of Change in Net Assets Attributable to Unitholders

for the year ended 30 June 2021

		For the year to 30.6.2021	For the period from 13.6.2019 to 30.6.2020
	£000's	£000's	£000's
<b>Opening net assets attributable to unitholders</b>		108,432	–
Amounts receivable on issue of units	55,570		89,047
In-Specie	3,784		35,143
Amounts payable on cancellation of units	(1,271)		(18,891)
		58,083	105,299
Dilution adjustment		–	31
Stamp duty reserve tax		–	(1)
Change in net assets attributable to unitholders from investment activities		18,425	1,990
Retained distribution on accumulation units		1,073	716
Movement in Income Reserve Account (see note 15)		113	397
<b>Closing net assets attributable to unitholders</b>		<b>186,126</b>	<b>108,432</b>

# BlackRock Charities Growth & Income Fund

## Balance Sheet

at 30 June 2021

	Notes	30.6.2021 £000's	30.6.2020 £000's
<b>Assets:</b>			
Fixed assets			
– Investment assets		174,319	104,730
Current assets			
– Debtors	9	964	146
– Cash and bank balances	10	10,064	5,419
– Cash collateral posted		3,411	–
<b>Total assets</b>		<b>188,758</b>	<b>110,295</b>
<b>Liabilities:</b>			
Investment liabilities		(1,255)	(936)
Creditors			
– Amounts held at futures clearing houses and brokers		(89)	–
– Distributions payable		(830)	(817)
– Other creditors	11	(458)	(110)
<b>Total liabilities</b>		<b>(2,632)</b>	<b>(1,863)</b>
<b>Net assets attributable to unitholders</b>		<b>186,126</b>	<b>108,432</b>

M T Zemek (Director)

G D Bamping (Director)

BlackRock Fund Managers Limited

27 August 2021

# BlackRock Charities Growth & Income Fund

## Notes to Financial Statements

for the year ended 30 June 2021

### 1. Accounting and Distribution Policies

The accounting and distribution policies are set out on pages 25 to 27.

### 2. Financial Instruments and Risks

The financial instruments and risks are set out on pages 28 to 43.

### 3. Net Capital Gains

	For the year to 30.6.2021 £000's	For the period from 13.6.2019 to 30.6.2020 £000's
The net capital gains comprise:		
Gains on non-derivative securities	18,775	1,554
Gains on derivative securities	178	546
Currency (losses)/gains	(102)	17
Custodian transaction costs	(16)	(14)
<b>Net capital gains</b>	<b>18,835</b>	<b>2,103</b>

Net gains (excluding transaction costs) listed above of £18,851,000 comprise net realised gains of £4,704,000 and net unrealised gains of £14,147,000 (2020: £2,117,000 comprising net realised losses of £(564,000) and net unrealised gains of £2,681,000).

# BlackRock Charities Growth & Income Fund

## Notes to Financial Statements

### 4. Revenue

	For the year to 30.6.2021 £000's	For the period from 13.6.2019 to 30.6.2020 £000's
Equity distributions on CIS holdings	149	160
Interest from overseas fixed interest securities	–	8
Interest from UK bank deposits	–	7
Interest from UK fixed interest securities	74	21
Manager's charge rebates	128	48
Option premiums	522	751
Overseas dividends	1,363	603
Returns from bond futures	15	11
Revenue from short-term money market funds	–	3
Stock dividends	31	6
UK dividends	1,728	466
UK REIT dividends	111	45
US REIT dividends	3	–
<b>Total revenue</b>	<b>4,124</b>	<b>2,129</b>

### 5. Expenses

	For the year to 30.6.2021 £000's	For the period from 13.6.2019 to 30.6.2020 £000's
Payable to the Manager or associates of the Manager:		
– Manager's charge	565	190
	565	190
Other expenses:		
– Audit fee	3	4
– Legal and other professional fees	–	4
– Safe custody fees	10	3
– Trustee's fees	21	6
	34	17
<b>Total expenses</b>	<b>599</b>	<b>207</b>

# BlackRock Charities Growth & Income Fund

## Notes to Financial Statements

### 6. Interest Payable and Similar Charges

	For the year to 30.6.2021 £000's	For the period from 13.6.2019 to 30.6.2020 £000's
Interest on bank overdrafts	5	2
Interest paid on margin deposits	5	–
Returns from short position bond futures	31	–
TRS financing charges	2	–
<b>Total interest payable and similar charges</b>	<b>43</b>	<b>2</b>

### 7. Taxation

	For the year to 30.6.2021 £000's	For the period from 13.6.2019 to 30.6.2020 £000's
Overseas tax	26	11
<b>Total tax charge [see note(b)]</b>	<b>26</b>	<b>11</b>



# BlackRock Charities Growth & Income Fund

## Notes to Financial Statements

### 8. Distributions

	For the year to 30.6.2021 £000's	For the period from 13.6.2019 to 30.6.2020 £000's
First distribution	790	21
Second distribution	951	144
Third distribution	1,043	238
Fourth distribution	–	344
Final distribution	1,128	1,206
	3,912	1,953
Add: Movement in Income Reserve Account [see note 15]	113	397
Add: Amounts deducted on cancellation of units	5	53
Less: Amounts received on issue of units	(164)	(381)
<b>Distributions</b>	<b>3,866</b>	<b>2,022</b>

The distributable amount has been calculated as follows:

Net revenue after taxation	3,456	1,909
Add: Management expenses reimbursed by capital	410	113
<b>Distributions</b>	<b>3,866</b>	<b>2,022</b>

### 9. Debtors

	30.6.2021 £000's	30.6.2020 £000's
Accrued Manager's charge rebates	62	15
Accrued revenue	191	130
Overseas tax recoverable	3	1
Sales awaiting settlement	708	–
<b>Total debtors</b>	<b>964</b>	<b>146</b>

### 10. Cash and Bank Balances

	30.6.2021 £000's	30.6.2020 £000's
Amount held at futures clearing houses and brokers	118	671
Cash and bank balances	9,946	4,748
<b>Total cash and bank balances</b>	<b>10,064</b>	<b>5,419</b>

# BlackRock Charities Growth & Income Fund

## Notes to Financial Statements

### 11. Other Creditors

	30.6.2021 £000's	30.6.2020 £000's
Accrued Audit fee	4	4
Accrued Manager's charge	248	78
Accrued Safe custody fees	3	1
Accrued Trustee's fee	9	2
Custodian transaction costs	5	6
Purchases awaiting settlement	189	19
<b>Total other creditors</b>	<b>458</b>	<b>110</b>

### 12. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (30 June 2020: £Nil).

### 13. Credit Facility

The Fund entered into a credit facility with JPMorgan whereby JPMorgan, together with other syndicated lenders, made a USD 475 million credit facility available to the Fund. The USD 475 million credit facility will be allocated to the Fund based on the credit facility agreement dated 23 April 2021. This credit facility may be utilised by the Fund for temporary funding purposes, including, without limitation, the funding of investor redemptions. Any interest and commitment fees in relation to drawdowns from such credit facility are paid out of the assets of the Fund.

### 14. 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 30 June 2021:

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. During the year PNC Financial Services Group, Inc. ("PNC"), was a substantial shareholder in BlackRock, Inc. PNC did not provide any services to the Fund during the year/period ended 30 June 2021 and 30 June 2020. As at 30 June 2021, PNC is no longer an affiliate of the Entity.

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. Any amounts due to or from the Manager at the year end are disclosed in notes 9 and 11. Management fees paid to the Manager are shown in note 5. The balances due at the year end in respect of these fees are shown in note 11.

# BlackRock Charities Growth & Income Fund

## Notes to Financial Statements

### 14. Related Parties

The Fund may invest in other Collective Investment Schemes ("CIS"), which may or may not be operated and/or managed by an affiliate of the Manager. As an investor in such other CIS, in addition to the fees, costs and expenses payable by a unitholder in the Fund, each unitholder may also indirectly bear a portion of the fees, costs and expenses of the underlying CIS, including management, investment management and administration and other expenses. However, in respect of investments made in any other investment fund whose manager is an affiliate of the Manager, the Fund will invest, where possible, in classes of the underlying funds which are not subject to any management charges. Alternatively, where this is not possible, the Manager will rebate management charges to the Fund. The Fund will not be subject to any preliminary/initial sales fee in respect of investments made in any other investment fund whose manager is an affiliate of the Manager, although it may be subject to duties and charges in respect of subscriptions and redemptions in such investment funds.

As at 30 June 2021 and 30 June 2020, **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.

All related party transactions were carried out at arm's length in the ordinary course of business. The terms and returns received by the related parties in making the investments above were no more favourable than those received by other investors investing into the same unit class.

### 15. Income Reserve Account

	For the year to 30.6.2021 £000's	For the period from 13.6.2019 to 30.6.2020 £000's
Revenue brought forward	397	–
Increase in undistributed revenue	113	397
<b>Total Distribution Equalisation Reserve</b>	<b>510</b>	<b>397</b>

# BlackRock Charities Growth & Income Fund

## Notes to Financial Statements

### 16. Portfolio Transaction Costs

For the year ended 30 June 2021

Purchases (excluding derivatives)	Direct Transaction Costs					
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%	
Equity instruments	34,756	15	0.04	5	0.01	
Debt instruments	6,947	–	–	–	–	
Collective investment schemes	41,189	7	0.02	4	0.01	
In-Specie transfers	22,415	–	–	–	–	
<b>Total purchases</b>	<b>105,307</b>	<b>22</b>		<b>9</b>		
<b>Total purchases including transaction costs</b>	<b>105,338</b>					

  

Sales (excluding derivatives)	Direct Transaction Costs					
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%	
Equity instruments	24,229	10	0.04	–	–	
Collective investment schemes	25,691	6	0.02	–	–	
<b>Total sales</b>	<b>49,920</b>	<b>16</b>		<b>–</b>		
<b>Total sales net of transaction costs</b>	<b>49,904</b>					

  

<b>Derivative transaction costs</b>	<b>23</b>	<b>–</b>
<b>Total transaction costs</b>	<b>61</b>	<b>9</b>
<b>Total transaction costs as a % of average net assets</b>	<b>0.04%</b>	<b>0.01%</b>

# BlackRock Charities Growth & Income Fund

## Notes to Financial Statements

### 16. Portfolio Transaction Costs

For the period from 13 June 2019 to 30 June 2020

Purchases (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	30,199	9	0.03	4	0.01
Debt instruments	13,704	–	–	–	–
In-Species	35,143	–	–	–	–
Collective investment schemes	55,404	8	0.01	10	0.02
<b>Total purchases</b>	<b>134,450</b>	<b>17</b>		<b>14</b>	
<b>Total purchases including transaction costs</b>	<b>134,481</b>				

  

Sales (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	10,581	4	0.04	–	–
Debt instruments	2,740	–	–	–	–
Collective investment schemes	23,152	1	0.00	–	–
<b>Total sales</b>	<b>36,473</b>	<b>5</b>		<b>–</b>	
<b>Total sales net of transaction costs</b>	<b>36,468</b>				
<b>Derivative transaction costs</b>		<b>5</b>		<b>–</b>	
<b>Total transaction costs</b>		<b>27</b>		<b>14</b>	
<b>Total transaction costs as a % of average net assets</b>		<b>0.05%</b>		<b>0.03%</b>	

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.

For the Fund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs incurred in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

# BlackRock Charities Growth & Income Fund

## Notes to Financial Statements

### 16. Portfolio Transaction Costs

During the year the Fund utilised FDIs including credit default swaps, futures, options and total return swaps covering different underlying asset classes. The settlement values for opening and closing derivative positions are not comparable to principal values for transactions in direct holding investments and therefore purchase and sale amounts for derivative transactions are not quantified in the analysis above.

Transaction costs for derivatives positions will be either incurred as direct costs or form part of the dealing spread for the instruments. Any direct costs are identified in the analysis above. Dealing spread costs incurred by the Fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment

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 0.41% (30 June 2020: 0.48%).

### 17. Units in Issue

The movement in units in issue for the year ended 30 June 2021 is as follows:

	<b>A Income Units</b>	<b>A Accumulation Units</b>	<b>X Accumulation Units</b>	<b>C Income Units</b>	<b>C Accumulation Units</b>
Balance at the beginning of the year	17,763,533	6,807,883	10,238,725	55,264,781	16,796,848
Issued during the year	21,405,852	134,242	–	24,003,293	9,795,733
Cancelled during the year	–	–	(746,298)	–	(385,220)
<b>Balance at the end of the year</b>	<b>39,169,385</b>	<b>6,942,125</b>	<b>9,492,427</b>	<b>79,268,074</b>	<b>26,207,361</b>

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.

### 18. Subsequent 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 30 June 2021.

# BlackRock Charities UK Bond Fund

## About the Fund

The Fund is a sub-fund of BlackRock Charities Funds, a non-UCITS retail scheme under the COLL Sourcebook. The Sub-Fund was established on 1 April 2019 and was authorised by the FCA on 1 April 2019. The Sub-Fund's FCA product reference number is 839485.

## Risk and Reward Profile

Unit Class	Lower risk Typically lower rewards			Higher risk Typically higher rewards			
	←		→				→
A Income	1	<b>2</b>	3	4	5	6	7
A Accumulation	1	<b>2</b>	3	4	5	6	7

- The risk indicator was calculated incorporating 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.
- The use of derivatives will impact the value of the Fund and may expose the Fund to a higher degree of risk. Derivatives are highly sensitive to changes in the value of the asset on which they are based and can increase the size of losses and gains, resulting in greater fluctuations in the value of the Fund. The impact to the Fund can be greater where derivatives are used in an extensive or complex way.

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

# BlackRock Charities UK Bond Fund

## Performance Record

### Comparative Table

	A Income Units		A Accumulation Units	
	For the year to 30.6.2021	6.12.2019 to 30.6.2020	For the year to 30.6.2021	6.12.2019 to 30.6.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	195.7	191.9	5,408	5,186
Return before operating charges	(2.41)	8.56	(68.03)	233.9
Operating charges	(0.73)	(0.43)	(20.43)	(12.34)
Return after operating charges	(3.14)	8.13	(88.46)	221.6
Distributions	(6.50)	(4.34)	(178.11)	(117.80)
Retained distributions on accumulation units	N/A	N/A	178.11	117.80
<b>Closing net asset value per unit</b>				
After direct transaction costs of	(0.01)	0.00	(0.14)	(0.11)
<b>Performance</b>				
Return after charges <sup>1</sup>	(1.60)%	4.24%	(1.64)%	4.27%
<b>Other information</b>				
Closing net asset value (£000's)	125,119	170,032	18,300	18,825
Closing number of units	67,247,711	86,888,835	344,014	348,117
Operating charges <sup>2</sup>	0.38%	0.39%	0.38%	0.41%
Direct transaction costs <sup>3</sup>	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest offer unit price	198.2	203.3	5,524	5,502
Lowest bid unit price	184.7	182.7	5,236	4,945

<sup>1</sup> 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).

<sup>2</sup> 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).

<sup>3</sup> Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of debt instruments. See note 16 for further details.



# BlackRock Charities UK Bond Fund

## Distribution Tables

for the year ended 30 June 2021

### Final Distribution in Pence per Unit

For the period from 1 April 2021 to 30 June 2021

	A Income Units	A Accumulation Units
Distribution paid 20.7.2021	1.5000	48.2000
Distribution paid 20.7.2020	2.0000	54.6525

### Third Interim Distribution in Pence per Unit

For the period from 1 January 2021 to 31 March 2021

	A Income Units	A Accumulation Units
Distribution paid 20.4.2021	1.5000	41.0600
Distribution paid 20.4.2020	2.0000	54.1164

### Second Interim Distribution in Pence per Unit

For the period from 1 October 2020 to 31 December 2020

	A Income Units	A Accumulation Units
Distribution paid 20.1.2021	1.5000	40.6492
Distribution paid 20.1.2020	0.3350	9.0530

### First Interim Distribution in Pence per Unit

For the period from 1 July 2020 to 30 September 2020

	A Income Units	A Accumulation Units
Distribution paid 20.10.2020	2.0000	48.2010
Distribution paid 20.10.2019	N/A	N/A

# BlackRock Charities UK Bond Fund

## Portfolio Statement

at 30 June 2021

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets	Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
<b>BONDS – 96.88%; 30.6.2020 97.51%</b>				£1,260,000 BUPA Finance 5% 25/4/2023 1,352 0.94 £565,000 BUPA Finance 5% 8/12/2026 659 0.46 £756,000 Centrica 6.375% 10/3/2022 786 0.55			
<b>UK STERLING – 94.72%; 30.6.2020 95.38%</b>				£1,310,000 Citigroup 5.875% 1/7/2024 1,493 1.04 £295,000 Cooperatieve Rabobank UA 4.625% 23/5/2029 351 0.24 £280,000 Cooperatieve Rabobank UA 5.25% 14/9/2027 337 0.24 £1,750,000 Credit Agricole 7.375% 18/12/2023 2,023 1.41 £290,000 Credit Suisse 2.125% 12/9/2025 298 0.21 £315,000 Credit Suisse 2.25% 9/6/2028 323 0.23 £300,000 Deutsche Bank 2.625% 16/12/2024 313 0.22 £440,000 Deutsche Telekom International Finance 6.5% 8/4/2022 460 0.32 £345,000 Deutsche Telekom International Finance 8.875% 27/11/2028 523 0.36 £700,000 Dexia Credit Local 0.25% 10/12/2026 682 0.48 £470,000 DWR Cymru Financing UK 1.625% 31/3/2026 477 0.33 £469,000 E.ON International Finance 6.25% 3/6/2030 635 0.44 £400,000 Electricite de France 5.875% Perpetual 22/7/2169 453 0.32 £300,000 Electricity North West 8.875% 25/3/2026 406 0.28 £1,550,000 Enel Finance International 5.625% 14/8/2024 1,779 1.24 £600,000 Ford Motor Credit 4.535% 6/3/2025 643 0.45 £1,340,000 Friends Life 8.25% 21/4/2022 1,422 0.99 £164,000 Gatwick Funding 6.125% 2/3/2028 196 0.14 £340,000 General Electric 5.25% 7/12/2028 423 0.30 £570,000 GKN 5.375% 19/9/2022 598 0.42 £105,000 Glencore Finance Europe 3.125% 26/3/2026 112 0.08 £1,220,000 Goldman Sachs 1% 16/12/2025 1,217 0.85 £815,000 Goldman Sachs 7.125% 7/8/2025 1,010 0.70 £530,830 Greene King Finance 3.593% 15/3/2035 552 0.38 £170,000 Heathrow Funding 6.75% 3/12/2028 215 0.15 £105,000 Hiscox 6.125% 24/11/2045 121 0.08 £1,015,000 HSBC 6.5% 20/5/2024 1,176 0.82 £200,000 HSBC 6.75% 11/9/2028 261 0.18 £1,775,000 HSBC Bank 6.5% 7/7/2023 1,974 1.38 £150,000 Iberdrola Finanzas 6% 1/7/2022 158 0.11			
<b>UK Sterling Denominated Corporate Bonds – 45.01%; 30.6.2020 49.36%</b>							
£100,000	Abertis Infraestructuras 3.375% 27/11/2026	108	0.08				
£110,000	Anglian Water Services Financing 4.5% 22/2/2026	126	0.09				
£590,000	Anglian Water Services Financing 4.5% 5/10/2027	704	0.49				
£850,000	Anheuser-Busch InBev 9.75% 30/7/2024	1,080	0.75				
£550,000	AT&T 5.5% 15/3/2027	674	0.47				
£420,000	Aviva 6.125% 14/11/2036	513	0.36				
£270,000	AXA 5.453% Perpetual 4/3/2170	312	0.22				
£120,000	AXA 6.6862% Perpetual 6/7/2169	146	0.10				
£515,000	Bank of America 1.667% 2/6/2029	518	0.36				
£1,850,000	Bank of America 6.125% 15/9/2021	1,872	1.31				
£350,000	Bank of America 7% 31/7/2028	481	0.34				
£370,000	Barclays 2.375% 6/10/2023	378	0.26				
£595,000	Barclays 3% 8/5/2026	639	0.45				
£530,000	BAT Capital 2.125% 15/8/2025	544	0.38				
£160,000	BAT International Finance 4% 4/9/2026	177	0.12				
£350,000	BAT International Finance 7.25% 12/3/2024	406	0.28				
£750,000	BHP Billiton Finance 6.5% 22/10/2077	801	0.56				
£400,000	BNP Paribas 2% 24/5/2031	403	0.28				
£760,000	BNP Paribas 3.375% 23/1/2026	830	0.58				
£310,000	BNP Paribas 5.75% 24/1/2022	319	0.22				
£400,000	BPCE 5.25% 16/4/2029	493	0.34				
£365,000	British Telecommunications 5.75% 7/12/2028	463	0.32				



# BlackRock Charities UK Bond Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets	Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
£1,373,000	United Kingdom Gilt 3.5% 22/7/2068	2,570	1.79	€129,468	Portugal Obrigacoes do Tesouro OT 1% 12/4/2052	101	0.07
£505,000	United Kingdom Gilt 3.75% 22/7/2052	836	0.58			<b>2,086</b>	<b>1.45</b>
£1,465,000	United Kingdom Gilt 4% 22/1/2060	2,760	1.92	<b>US DOLLAR – 0.00%; 30.6.2020 0.91%</b>			
£2,606,000	United Kingdom Gilt 4.25% 7/12/2027	3,230	2.25	<b>US Dollar Denominated Government Bonds – 0.00%; 30.6.2020 0.91%</b>			
£3,699,000	United Kingdom Gilt 4.25% 7/3/2036	5,322	3.71	<b>DERIVATIVES – 0.05%; 30.6.2020 (0.03%)</b>			
£1,026,000	United Kingdom Gilt 4.25% 7/9/2039	1,551	1.08	<b>Forward Currency Contracts – 0.03%; 30.6.2020 (0.05%)</b>			
£1,037,000	United Kingdom Gilt 4.25% 7/12/2040	1,594	1.11	€1,900,000	Euro vs UK sterling	(7)	0.00
£1,699,000	United Kingdom Gilt 4.25% 7/12/2046	2,819	1.97	£4,804,219	UK sterling vs Euro	52	0.03
£1,212,431	United Kingdom Gilt 4.25% 7/12/2049	2,096	1.46	£92,176	UK sterling vs US dollar	–	0.00
£1,874,000	United Kingdom Gilt 4.25% 7/12/2055	3,489	2.43			<b>45</b>	<b>0.03</b>
£2,969,000	United Kingdom Gilt 4.5% 7/9/2034	4,267	2.98	<b>Futures – (0.03%); 30.6.2020 (0.02%)</b>			
£3,376,000	United Kingdom Gilt 4.5% 7/12/2042	5,488	3.83	108	90-Day Sterling£ December 2022	1	0.00
£6,675,000	United Kingdom Gilt 4.75% 7/12/2030	9,125	6.36	(108)	90-Day Sterling£ December 2024	(4)	0.00
£5,457,018	United Kingdom Gilt 5% 7/3/2025	6,413	4.47	10	Euro-BTP September 2021	7	0.00
£9,097,869	United Kingdom Gilt 6% 7/12/2028	12,685	8.85	(17)	Euro-Bund September 2021	(10)	(0.01)
		<b>71,296</b>	<b>49.71</b>	19	Euro-OAT September 2021	8	0.01
				(14)	Long Gilt September 2021	(5)	0.00
				(12)	US 10 Year Note (CBT) September 2021	(2)	0.00
				(29)	US 10 Year Ultra September 2021	(41)	(0.03)
						<b>(46)</b>	<b>(0.03)</b>
				<b>Inflation Swaps – (0.05%); 30.6.2020 0.04%</b>			
				1,009,000	Bank of America Merrill Lynch (UK sterling) 3.334% vs Variable 18/3/2030	(25)	(0.02)
				967,000	Bank of America Merrill Lynch (UK sterling) 3.456% vs Variable 16/7/2030	(28)	(0.02)
				741,000	Bank of America Merrill Lynch (UK sterling) 3.592% vs Variable 17/3/2031	(14)	(0.01)
<b>EURO – 2.16%; 30.6.2020 1.22%</b>							
<b>Euro Denominated Corporate Bonds – 0.71%; 30.6.2020 0.22%</b>							
€300,000	Dexia Credit Local 0% 21/1/2028	257	0.18				
€492,000	European Investment Bank 0% 14/1/2031	421	0.29				
€230,000	International Bank for Reconstruction & Development 0.2% 21/1/2061	165	0.12				
€200,000	RELX Finance 0% 18/3/2024	172	0.12				
		<b>1,015</b>	<b>0.71</b>				
<b>Euro Denominated Government Bonds – 1.45%; 30.6.2020 1.00%</b>							
€855,000	Kingdom of Belgium Government Bond 0% 22/10/2031	724	0.50				
€1,487,676	Portugal Obrigacoes do Tesouro OT 0.3% 17/10/2031	1,261	0.88				

# BlackRock Charities UK Bond Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
582,000	Credit Suisse International (UK sterling) 3.64% vs Variable 16/12/2030	(7)	0.00
440,000	Morgan Stanley International (UK sterling) 3.7% vs Variable 16/5/2031	(4)	0.00
		<b>(78)</b>	<b>(0.05)</b>
<b>Interest Rate Swaps – 0.10%; 30.6.2020 0.00%</b>			
300,000	Bank of America Merrill Lynch (Euro) 0% vs Variable 21/1/2028	4	0.00
507,000	Bank of America Merrill Lynch (Euro) 0% vs Variable 14/1/2031	13	0.01
227,000	Bank of America Merrill Lynch (Euro) 0% vs Variable 21/1/2061	32	0.02
622,000	Bank of America Merrill Lynch (UK sterling) 0% vs Variable 15/12/2025	13	0.01
539,000	Bank of America Merrill Lynch (UK sterling) 0.092% vs Variable 10/12/2026	11	0.01
2,920,000	Bank of America Merrill Lynch (UK sterling) 0.8% vs Variable 7/12/2030	25	0.02
691,000	Credit Suisse International (UK sterling) 0% vs Variable 15/12/2025	14	0.01
867,000	Morgan Stanley International (Euro) 0% vs Variable 22/10/2031	21	0.01

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
1,155,000	Morgan Stanley International (Euro) 0.032% vs Variable 9/4/2031	5	0.00
113,000	Morgan Stanley International (Euro) 0.172% vs Variable 12/4/2052	9	0.01
		<b>147</b>	<b>0.10</b>
<b>Portfolio of investments</b>		<b>139,014</b>	<b>96.93</b>

### CASH EQUIVALENTS

#### Short-term Money Market Funds – 0.34%; 30.6.2020 2.27%

480,908	BlackRock ICS Sterling Liquidity Fund <sup>†</sup>	<b>481</b>	<b>0.34</b>
	Net other assets	3,924	2.73
<b>Total net assets</b>		<b>143,419</b>	<b>100.00</b>

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

The counterparties for the forward currency contracts are Barclays Bank Plc, BNP Paribas Arbitrage SNC, Goldman Sachs International, Royal Bank of Canada, Royal Bank of Scotland Plc, State Street Global Advisors Limited, Toronto-Dominion Bank, UBS AG and Westpac Banking Corp.

<sup>1</sup> All securities that have a value of less than £500 have been rounded to zero.

<sup>†</sup> Managed by a related party.

# BlackRock Charities UK Bond Fund

## Statement of Total Return

for the year ended 30 June 2021

	Notes	£000's	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Income				
Net capital (losses)/gains	3		(4,058)	7,293
Revenue	4	2,218		1,670
Expenses	5	(604)		(413)
Interest payable and similar charges	6	(10)		(1)
Net revenue			1,604	1,256
Total return before distributions			(2,454)	8,549
Distributions	7		(6,216)	(4,268)
<b>Change in net assets attributable to unitholders from investment activities</b>			<b>(8,670)</b>	<b>4,281</b>

## Statement of Change in Net Assets Attributable to Unitholders

for the year ended 30 June 2021

	£000's	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
<b>Opening net assets attributable to unitholders</b>		188,857	–
Amounts receivable on issue of units	13,624		30,612
In-Specie from terminated CIF entity	–		185,341
Amounts payable on cancellation of units	(51,728)		(31,829)
		(38,104)	184,124
Change in net assets attributable to unitholders from investment activities		(8,670)	4,281
Retained distribution on accumulation units		594	401
Movement in Income Reserve Account [see note 15]		742	51
<b>Closing net assets attributable to unitholders</b>		<b>143,419</b>	<b>188,857</b>

# BlackRock Charities UK Bond Fund

## Balance Sheet

at 30 June 2021

	Notes	30.6.2021 £000's	30.6.2020 £000's
<b>Assets:</b>			
Fixed assets			
– Investment assets		139,161	184,378
Current assets			
– Debtors	8	4,912	10,936
– Cash and bank balances	9	73	433
– Cash collateral posted		179	269
– Cash equivalents	10	481	4,287
<b>Total assets</b>		<b>144,806</b>	<b>200,303</b>
<b>Liabilities:</b>			
Investment liabilities		(147)	(281)
Creditors			
– Amounts held at futures clearing houses and brokers		(3)	(3)
– Distributions payable		(1,009)	(1,738)
– Other creditors	11	(228)	(9,424)
<b>Total liabilities</b>		<b>(1,387)</b>	<b>(11,446)</b>
<b>Net assets attributable to unitholders</b>		<b>143,419</b>	<b>188,857</b>

M T Zemek (Director)

G D Bamping (Director)

BlackRock Fund Managers Limited

27 August 2021

# BlackRock Charities UK Bond Fund

## Notes to Financial Statements

for the year ended 30 June 2021

### 1. Accounting and Distribution Policies

The accounting and distribution policies are set out on pages 25 to 27.

### 2. Financial Instruments and Risks

The financial instruments and risks are set out on pages 28 to 43.

### 3. Net Capital (Losses)/Gains

	For the year to 30.6.2021 £000's	For the to 30.6.2020 £000's
The net capital (losses)/gains comprise:		
(Losses)/gains on non-derivative securities	(4,252)	7,590
Gains/(losses) on derivative securities	219	(234)
Currency losses	(13)	(54)
Custodian transaction costs	(12)	(9)
<b>Net capital (losses)/gains</b>	<b>(4,058)</b>	<b>7,293</b>

Net losses (excluding transaction costs) listed above of £(4,046,000) comprise net realised gains of £2,517,000 and net unrealised losses of £(6,563,000) (30 June 2020: £7,302,000 comprising net realised gains of £2,239,000 and net unrealised gains of £5,063,000). Certain realised gains and losses in the current year were unrealised in the prior year.

### 4. Revenue

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Interest from overseas fixed interest securities	684	517
Interest from UK bank deposits	–	1
Interest from UK fixed interest securities	1,474	1,124
Returns from bond futures	57	25
Revenue from short-term money market funds	3	3
<b>Total revenue</b>	<b>2,218</b>	<b>1,670</b>



# BlackRock Charities UK Bond Fund

## Notes to Financial Statements

### 5. Expenses

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Payable to the Manager or associates of the Manager:		
– Manager's charge	567	375
	567	375
Other expenses:		
– Audit fee	3	3
– Legal and other professional fees	1	17
– Safe custody fees	12	4
– Trustee's fees	21	14
	37	38
<b>Total expenses</b>	<b>604</b>	<b>413</b>

### 6. Interest Payable and Similar Charges

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Interest on bank overdrafts	2	1
Interest on margin deposits paid	1	–
Returns from short position bond futures	7	–
<b>Total interest payable and similar charges</b>	<b>10</b>	<b>1</b>

# BlackRock Charities UK Bond Fund

## Notes to Financial Statements

### 7. Distributions

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
First distribution	1,764	327
Second distribution	1,231	1,950
Third distribution	1,125	–
Final distribution	1,175	1,928
	5,295	4,205
Add: Movement in Income Reserve Account [see note 15]	742	51
Add: Amounts deducted on cancellation of units	288	205
Less: Amounts received on issue of units	(109)	(193)
<b>Distributions</b>	<b>6,216</b>	<b>4,268</b>

The distributable amount has been calculated as follows:

Net revenue	1,604	1,256
Add: Amortisation transferred to capital	4,044	2,620
Add: Management expenses reimbursed by capital	568	392
<b>Distributions</b>	<b>6,216</b>	<b>4,268</b>

### 8. Debtors

	30.6.2021 £000's	30.6.2020 £000's
Accrued revenue	1,658	2,430
Amounts receivable for issue of units	3,232	7,681
Sales awaiting settlement	22	825
<b>Total debtors</b>	<b>4,912</b>	<b>10,936</b>

### 9. Cash and Bank Balances

	30.6.2021 £000's	30.6.2020 £000's
Amount held at futures clearing houses and brokers	41	51
Cash and bank balances	32	382
<b>Total cash and bank balances</b>	<b>73</b>	<b>433</b>

# BlackRock Charities UK Bond Fund

## Notes to Financial Statements

### 10. Cash Equivalents

	30.6.2021 £000's	30.6.2020 £000's
Investment in short-term money market funds	481	4,287
<b>Total cash equivalents</b>	<b>481</b>	<b>4,287</b>

### 11. Other Creditors

	30.6.2021 £000's	30.6.2020 £000's
Accrued Audit fee	3	3
Accrued Legal and other professional fees	17	17
Accrued Manager's charge	163	163
Accrued Safe custody fees	4	4
Accrued Trustee's fee	7	6
Amounts payable for cancellation of units	27	860
Custodian transaction costs	7	8
Purchases awaiting settlement	–	8,363
<b>Total other creditors</b>	<b>228</b>	<b>9,424</b>

### 12. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (30 June 2020: £Nil).

### 13. Credit Facility

The Fund entered into a credit facility with JPMorgan whereby JPMorgan, together with other syndicated lenders, made a USD 475 million credit facility available to the Fund. The USD 475 million credit facility will be allocated to the Fund based on the credit facility agreement dated 23 April 2021. This credit facility may be utilised by the Fund for temporary funding purposes, including, without limitation, the funding of investor redemptions. Any interest and commitment fees in relation to drawdowns from such credit facility are paid out of the assets of the Fund.

### 14. 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 30 June 2021:

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

# BlackRock Charities UK Bond Fund

## Notes to Financial Statements

### 14. Related Parties

The ultimate holding company of the Manager, Registrar and Investment Manager is BlackRock Inc. ("BlackRock"), a company incorporated in Delaware, USA. During the year PNC Financial Services Group, Inc. ("PNC"), was a substantial shareholder in BlackRock, Inc. PNC did not provide any services to the Fund during the year/period ended 30 June 2021 and 30 June 2020. As at 30 June 2021, PNC is no longer an affiliate of the Entity.

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 7. Any amounts due to or from the Manager at the year end are disclosed in notes 8 and 11. Management fees paid to the Manager are shown in note 5. The balances due at the year end in respect of these fees are shown in note 11.

For holdings in Institutional Cash Series plc ("ICS"), there will be no initial charges or redemption charges payable on investments in the Fund, however, duties and charges may apply. ICS will be subject to fees and expenses which may include fixed management fees, performance fees, administration fees and custodial fees.

The Fund may invest in other CIS, which may or may not be operated and/or managed by an affiliate of the Manager. As an investor in such other CIS, in addition to the fees, costs and expenses payable by a unitholder in the Funds, each unitholder may also indirectly bear a portion of the fees, costs and expenses of the underlying CIS, including management, investment management and administration and other expenses. However, in respect of investments made in any other investment fund whose manager is an affiliate of the Manager, the Fund will invest, where possible, in classes of the underlying funds which are not subject to any management charges. Alternatively, where this is not possible, the Manager will rebate management charges to the Fund. The Fund will not be subject to any preliminary/initial sales fee in respect of investments made in any other investment fund whose manager is an affiliate of the Manager, although it may be subject to duties and charges in respect of subscriptions and redemptions in such investment funds.

The Fund's investments in other BlackRock related party entities are individually identified in the portfolio statement.

As at 30 June 2021 and 30 June 2020, 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 related parties to the Fund.

# BlackRock Charities UK Bond Fund

## Notes to Financial Statements

### 15. Income Reserve Account

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Balance at the beginning of the year/period	143	92
Adjustment to opening reserve	207	–
Increase in undistributed revenue	742	51
<b>Balance at the beginning of the year/period</b>	<b>1,092</b>	<b>143</b>

### 16. Portfolio Transaction Costs

For the year ended 30 June 2021

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
<b>Purchases (excluding derivatives)</b>					
Debt instruments	114,125	–	–	–	–
<b>Total purchases</b>	<b>114,125</b>	<b>–</b>		<b>–</b>	
<b>Total purchases including transaction costs</b>	<b>114,125</b>				

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
<b>Sales (excluding derivatives)</b>					
Debt instruments	146,710	–	–	–	–
<b>Total sales</b>	<b>146,710</b>	<b>–</b>		<b>–</b>	
<b>Total sales net of transaction costs</b>	<b>146,710</b>				
<b>Derivative transaction costs</b>		<b>4</b>		<b>–</b>	
<b>Total transaction costs</b>		<b>4</b>		<b>–</b>	
<b>Total transaction costs as a % of average net assets</b>		<b>0.00%</b>		<b>0.00%</b>	

# BlackRock Charities UK Bond Fund

## Notes to Financial Statements

### 16. Portfolio Transaction Costs

For the period from 6 December 2019 to 30 June 2020

Purchases (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Debt instruments	65,641	–	–	–	–
<b>Total purchases</b>	<b>65,641</b>	<b>–</b>		<b>–</b>	
<b>Total purchases including transaction costs</b>	<b>65,641</b>				

Sales (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Debt instruments	67,252	–	–	–	–
<b>Total sales</b>	<b>67,252</b>	<b>–</b>		<b>–</b>	
<b>Total sales net of transaction costs</b>	<b>67,252</b>				
<b>Derivative transaction costs</b>		<b>4</b>		<b>–</b>	
<b>Total transaction costs</b>		<b>4</b>		<b>–</b>	
<b>Total transaction costs as a % of average net assets</b>		<b>0.00%</b>		<b>0.00%</b>	

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.

For the Fund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs incurred in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

During the year the Fund utilised FDIs including futures, interest rate swaps and inflation rate swaps covering different underlying asset classes. The settlement values for opening and closing derivative positions are not comparable to principal values for transactions in direct holding investments and therefore purchase and sale amounts for derivative transactions are not quantified in the analysis above.

# BlackRock Charities UK Bond Fund

## Notes to Financial Statements

### 16. Portfolio Transaction Costs

Transaction costs for derivatives positions will be either incurred as direct costs or form part of the dealing spread for the instruments. Any direct costs are identified in the analysis above. Dealing spread costs incurred by the Fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment

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 0.22% (30 June 2020: 0.33%).

### 17. Units in Issue

The movement in units in issue for the year ended 30 June 2021 is as follows:

	A Income Units	A Accumulation Units
Balance at the beginning of the year	86,888,835	348,117
Issued during the year	6,367,485	29,306
Cancelled during the year	(26,008,609)	(33,409)
<b>Balance at the end of the year</b>	<b>67,247,711</b>	<b>344,014</b>

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.

### 18. Subsequent 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 30 June 2021.





# BlackRock Charities UK Equity ESG Fund

## Performance Record

### Comparative Table

	A Income Units		A Accumulation Units	
	For the year to 30.6.2021	6.12.2019 to 30.6.2020	For the year to 30.6.2021	6.12.2019 to 30.6.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	184.0	208.9	374.9	418.5
Return before operating charges	40.16	(21.38)	83.09	(42.35)
Operating charges	(1.05)	(0.62)	(2.17)	(1.24)
Return after operating charges	39.11	(22.00)	80.92	(43.59)
Distributions	(6.44)	(2.93)	(10.82)	(5.90)
Retained distributions on accumulation units	N/A	N/A	10.82	5.90
<b>Closing net asset value per unit</b>				
After direct transaction costs of	216.7	184.0	455.8	374.9
	(0.13)	(0.07)	(0.26)	(0.13)
<b>Performance</b>				
Return after charges <sup>1</sup>	21.26%	(10.53)%	21.58%	(10.42)%
<b>Other information</b>				
Closing net asset value (£000's)	60,524	78,036	2,836	4,592
Closing number of units	27,933,999	42,418,058	622,157	1,224,943
Operating charges <sup>2</sup>	0.53%	0.56%	0.53%	0.56%
Direct transaction costs <sup>3</sup>	0.06%	0.03%	0.06%	0.03%
<b>Prices</b>				
Highest offer unit price	222.3	222.1	464.2	445.4
Lowest bid unit price	171.6	147.5	352.7	295.7

<sup>1</sup> 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).

<sup>2</sup> 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).

<sup>3</sup> Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of equity instruments and collective investment schemes.

See note 14 for further details.

# BlackRock Charities UK Equity ESG Fund

## Distribution Tables

for the year ended 30 June 2021

### Final Distribution in Pence per Unit

For the period from 1 April 2021 to 30 June 2021

	A Income Units	A Accumulation Units
Distribution paid 20.7.2021	1.6000	3.5687
Distribution paid 20.7.2020	1.4500	2.9269

### Third Interim Distribution in Pence per Unit

For the period from 1 January 2021 to 31 March 2021

	A Income Units	A Accumulation Units
Distribution paid 20.4.2021	1.4500	1.7300
Distribution paid 20.4.2020	1.3500	2.7071

### Second Interim Distribution in Pence per Unit

For the period from 1 October 2020 to 31 December 2020

	A Income Units	A Accumulation Units
Distribution paid 20.1.2021	1.9100	3.1867
Distribution paid 20.1.2020	0.1326	0.2657

### First Interim Distribution in Pence per Unit

For the period from 1 July 2020 to 30 September 2020

	A Income Units	A Accumulation Units
Distribution paid 20.10.2020	1.4800	2.3312
Distribution paid 20.10.2019	N/A	N/A

# BlackRock Charities UK Equity ESG Fund

## Portfolio Statement

at 30 June 2021

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>EQUITIES – 88.35%; 30.6.2020 89.53%</b>			
<b>AUSTRALIA – 2.20%; 30.6.2020 2.28%</b>			
Mining – 2.20%; 30.6.2020 2.28%	65,314 BHP	1,395	2.20
<b>BERMUDA – 1.06%; 30.6.2020 1.49%</b>			
Insurance – 1.06%; 30.6.2020 1.49%	79,229 Hiscox	671	1.06
<b>IRELAND – 1.78%; 30.6.2020 1.10%</b>			
Retail – 1.78%; 30.6.2020 1.10%	97,147 Grafton	1,127	1.78
<b>NETHERLANDS – 4.42%; 30.6.2020 3.17%</b>			
Oil & Gas Producers – 4.42%; 30.6.2020 3.17%	200,725 Royal Dutch Shell	2,800	4.42
<b>UNITED KINGDOM – 78.89%; 30.6.2020 81.49%</b>			
<b>Alternative Energy Sources – 0.00%; 30.6.2020 2.40%</b>			
<b>Apparel – 0.00%; 30.6.2020 1.42%</b>			
<b>Banks – 7.46%; 30.6.2020 6.06%</b>			
3,103,980 Lloyds Banking		1,442	2.28
706,911 Natwest		1,427	2.25
403,472 Standard Chartered		1,856	2.93
		<b>4,725</b>	<b>7.46</b>
<b>Commercial Services – 8.28%; 30.6.2020 6.67%</b>			
554,431 Hays		877	1.38
159,163 RELX		3,041	4.80
268,864 Rentokil Initial		1,333	2.10
		<b>5,251</b>	<b>8.28</b>
<b>Cosmetics &amp; Personal Care – 4.12%; 30.6.2020 4.93%</b>			
61,614 Unilever		2,609	4.12
<b>Distribution &amp; Wholesale – 3.43%; 30.6.2020 1.50%</b>			
21,407 Ferguson		2,175	3.43
<b>Diversified Financial Services – 0.87%; 30.6.2020 0.00%</b>			
106,358 IntegraFin		549	0.87
<b>Electronics – 2.23%; 30.6.2020 0.00%</b>			
137,969 Electrocomponents		1,414	2.23
<b>Engineering &amp; Construction – 0.00%; 30.6.2020 1.11%</b>			
<b>Food Producers – 2.59%; 30.6.2020 5.37%</b>			
14,523 SSP		38	0.06
83,500 Tate & Lyle		622	0.98

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
441,541 Tesco		983	1.55
		<b>1,643</b>	<b>2.59</b>
<b>Gas – 0.00%; 30.6.2020 3.77%</b>			
<b>Healthcare Products – 3.23%; 30.6.2020 2.16%</b>			
129,539 Smith & Nephew		2,044	3.23
<b>Home Builders – 3.07%; 30.6.2020 2.73%</b>			
16,604 Berkeley		763	1.20
746,984 Taylor Wimpey		1,183	1.87
		<b>1,946</b>	<b>3.07</b>
<b>Household Products – 4.86%; 30.6.2020 5.25%</b>			
47,919 Reckitt Benckiser		3,078	4.86
<b>Insurance – 6.49%; 30.6.2020 5.43%</b>			
355,413 Direct Line Insurance		1,022	1.61
168,474 Phoenix		1,128	1.78
141,196 Prudential		1,962	3.10
		<b>4,112</b>	<b>6.49</b>
<b>Internet – 2.29%; 30.6.2020 2.28%</b>			
163,750 Moonpig		712	1.12
121,240 THG		742	1.17
		<b>1,454</b>	<b>2.29</b>
<b>Lodging – 1.64%; 30.6.2020 1.50%</b>			
33,173 Whitbread		1,039	1.64
<b>Media – 0.00%; 30.6.2020 0.66%</b>			
<b>Metal &amp; Hardware – 1.45%; 30.6.2020 1.10%</b>			
108,676 Bodycote		916	1.45
<b>Mining – 6.65%; 30.6.2020 6.19%</b>			
70,250 Rio Tinto		4,212	6.65
<b>Miscellaneous Manufacturing – 2.37%; 30.6.2020 0.00%</b>			
94,709 Smiths		1,501	2.37
<b>Oil &amp; Gas Producers – 2.82%; 30.6.2020 2.68%</b>			
570,452 BP		1,789	2.82
<b>Pharmaceuticals – 8.35%; 30.6.2020 9.95%</b>			
55,015 AstraZeneca		4,782	7.55
35,703 GlaxoSmithKline		507	0.80
		<b>5,289</b>	<b>8.35</b>
<b>Private Equity – 4.11%; 30.6.2020 2.49%</b>			
137,593 3i		1,617	2.55
46,006 Intermediate Capital		991	1.56
		<b>2,608</b>	<b>4.11</b>

# BlackRock Charities UK Equity ESG Fund

## Portfolio Statement

<b>Holding or Nominal Value</b>	<b>Investment</b>	<b>Market Value £000's</b>	<b>% of Total Net Assets</b>
<b>Retail – 2.58%; 30.6.2020 3.00%</b>			
13,023	Next	1,021	1.61
38,822	WH Smith	611	0.97
		<b>1,632</b>	<b>2.58</b>
<b>Telecommunications – 0.00%; 30.6.2020 1.80%</b>			
<b>Water – 0.00%; 30.6.2020 1.04%</b>			
<b>COLLECTIVE INVESTMENT SCHEMES – 9.81%; 30.6.2020 9.65%</b>			
<b>Equity Funds – 9.81%; 30.6.2020 9.65%</b>			
533,948	BlackRock Growth and Recovery Fund <sup>†</sup>	<b>6,215</b>	<b>9.81</b>
<b>Portfolio of investments</b>		<b>62,194</b>	<b>98.16</b>
Net other assets		1,166	1.84
<b>Total net assets</b>		<b>63,360</b>	<b>100.00</b>

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

<sup>†</sup> Managed by a related party.

# BlackRock Charities UK Equity ESG Fund

## Statement of Total Return

for the year ended 30 June 2021

	Notes	£000's	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Income				
Net capital gains/(losses)	3		13,878	(13,032)
Revenue	4	2,258		1,787
Expenses	5	(397)		(313)
Net revenue before taxation		1,861		1,474
Taxation	6	(4)		–
Net revenue after taxation			1,857	1,474
Total return before distributions			15,735	(11,558)
Distributions	7		(2,207)	(1,747)
<b>Change in net assets attributable to unitholders from investment activities</b>			<b>13,528</b>	<b>(13,305)</b>

## Statement of Change in Net Assets Attributable to Unitholders

for the year ended 30 June 2021

	£000's	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
<b>Opening net assets attributable to unitholders</b>		82,628	–
Amounts receivable on issue of units	9,975		9,280
In-Specie from terminated CIF entity	–		108,843
In-Specie to another CAIF entity	–		(4,755)
Amounts payable on cancellation of units	(42,693)		(17,741)
		(32,718)	95,627
Change in net assets attributable to unitholders from investment activities		13,528	(13,305)
Retained distribution on accumulation units		112	97
Movement in Income Reserve Account (see note 13)		(190)	209
<b>Closing net assets attributable to unitholders</b>		<b>63,360</b>	<b>82,628</b>

# BlackRock Charities UK Equity ESG Fund

## Balance Sheet

at 30 June 2021

	Notes	30.6.2021 £000's	30.6.2020 £000's
<b>Assets:</b>			
Fixed assets			
– Investment assets		62,194	81,954
Current assets			
– Debtors	8	902	1,026
– Cash and bank balances		1,728	698
<b>Total assets</b>		<b>64,824</b>	<b>83,678</b>
<b>Liabilities:</b>			
Creditors			
– Distributions payable		(447)	(615)
– Other creditors	9	(1,017)	(435)
<b>Total liabilities</b>		<b>(1,464)</b>	<b>(1,050)</b>
<b>Net assets attributable to unitholders</b>		<b>63,360</b>	<b>82,628</b>

M T Zemek (Director)

G D Bamping (Director)

BlackRock Fund Managers Limited

27 August 2021

# BlackRock Charities UK Equity ESG Fund

## Notes to Financial Statements

for the year ended 30 June 2021

### 1. Accounting and Distribution Policies

The accounting and distribution policies are set out on pages 25 to 27.

### 2. Financial Instruments and Risks

The financial instruments and risks are set out on pages 28 to 43.

### 3. Net Capital Gains/(Losses)

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
The net capital gains/(losses) comprise:		
Gains/(losses) on non-derivative securities	13,884	(13,010)
Currency losses	(2)	(21)
Custodian transaction costs	(4)	(1)
<b>Net capital gains/(losses)</b>	<b>13,878</b>	<b>(13,032)</b>

Net gains (excluding transaction costs) listed above of £13,882,000 comprise net realised gains of £1,706,000 and net unrealised gains of £12,176,000 (2020: £(13,031,000) comprising net realised losses of £(6,970,000) and net unrealised losses of £(6,061,000)).

### 4. Revenue

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Equity distributions on CIS holdings	24	67
Interest from UK bank deposits	–	2
Manager's charge rebates	75	51
Overseas dividends	69	–
Revenue from short-term money market funds	–	1
Stock dividends	46	60
UK dividends	2,044	1,606
<b>Total revenue</b>	<b>2,258</b>	<b>1,787</b>

# BlackRock Charities UK Equity ESG Fund

## Notes to Financial Statements

### 5. Expenses

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Payable to the Manager or associates of the Manager:		
– Manager's charge	381	284
	381	284
Other expenses:		
– Audit fee	4	3
– Legal and other professional fees	–	17
– Safe custody fees	2	1
– Trustee's fees	10	8
	16	29
<b>Total expenses</b>	<b>397</b>	<b>313</b>

### 6. Taxation

#### (a) Analysis of tax charge

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Overseas tax	4	–
<b>Total tax charge [see note(b)]</b>	<b>4</b>	<b>–</b>



# BlackRock Charities UK Equity ESG Fund

## Notes to Financial Statements

### 7. Distributions

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
First distribution	642	70
Second distribution	861	713
Third distribution	429	-
Final distribution	469	651
	2,401	1,434
(Less)/Add: Movement in Income Reserve Account [see note 13]	(190)	209
Add: Amounts deducted on cancellation of units	54	127
Less: Amounts received on issue of units	(58)	(23)
<b>Distributions</b>	<b>2,207</b>	<b>1,747</b>

The distributable amount has been calculated as follows:

Net revenue after taxation	1,857	1,474
Add: Management expenses reimbursed by capital	350	273
<b>Distributions</b>	<b>2,207</b>	<b>1,747</b>

### 8. Debtors

	30.6.2021 £000's	30.6.2020 £000's
Accrued Manager's charge rebates	27	20
Accrued revenue	112	233
Amounts receivable for issue of units	61	773
Sales awaiting settlement	702	-
<b>Total debtors</b>	<b>902</b>	<b>1,026</b>

# BlackRock Charities UK Equity ESG Fund

## Notes to Financial Statements

### 9. Other Creditors

	30.6.2021 £000's	30.6.2020 £000's
Accrued Audit fee	3	3
Accrued Legal and other professional fees	17	17
Accrued Manager's charge	112	108
Accrued Safe custody fees	1	1
Accrued Trustee's fee	3	3
Amounts payable for cancellation of units	685	201
Custodian transaction costs	1	1
Purchases awaiting settlement	195	101
<b>Total other creditors</b>	<b>1,017</b>	<b>435</b>

### 10. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (30 June 2020: £Nil).

### 11. Credit Facility

The Fund entered into a credit facility with JPMorgan whereby JPMorgan, together with other syndicated lenders, made a USD 475 million credit facility available to the Fund. The USD 475 million credit facility will be allocated to the Fund based on the credit facility agreement dated 23 April 2021. This credit facility may be utilised by the Fund for temporary funding purposes, including, without limitation, the funding of investor redemptions. Any interest and commitment fees in relation to drawdowns from such credit facility are paid out of the assets of the Fund.

### 12. 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 30 June 2021:

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. During the year PNC Financial Services Group, Inc. ("PNC"), was a substantial shareholder in BlackRock, Inc. PNC did not provide any services to the Fund during the year/period ended 30 June 2021 and 30 June 2020. As at 30 June 2021, PNC is no longer an affiliate of the Entity.

# BlackRock Charities UK Equity ESG Fund

## Notes to Financial Statements

### 12. Related Parties

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 7. Any amounts due to or from the Manager at the year end are disclosed in notes 8 and 9. Management fees paid to the Manager are shown in note 5. The balances due at the year end in respect of these fees are shown in note 9.

For holdings in Institutional Cash Series plc ("ICS"), there will be no initial charges or redemption charges payable on investments in the Fund, however, duties and charges may apply. ICS will be subject to fees and expenses which may include fixed management fees, performance fees, administration fees and custodial fees.

The Fund may invest in other CIS, which may or may not be operated and/or managed by an affiliate of the Manager. As an investor in such other CIS, in addition to the fees, costs and expenses payable by a unitholder in the Funds, each unitholder may also indirectly bear a portion of the fees, costs and expenses of the underlying CIS, including management, investment management and administration and other expenses. However, in respect of investments made in any other investment fund whose manager is an affiliate of the Manager, the Fund will invest, where possible, in classes of the underlying funds which are not subject to any management charges. Alternatively, where this is not possible, the Manager will rebate management charges to the Fund. The Fund will not be subject to any preliminary/initial sales fee in respect of investments made in any other investment fund whose manager is an affiliate of the Manager, although it may be subject to duties and charges in respect of subscriptions and redemptions in such investment funds.

The Fund's investments in other BlackRock related party entities are individually identified in the Portfolio Statement.

As at 30 June 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 related parties to the Fund.

As at 30 June 2020:

<b>Total % of units held by Affiliated Funds</b>	<b>Number of investors holding 51% or more of the voting units in issue who are not Affiliated Funds</b>	<b>Total % of units held by unitholders holding 51% or more of the voting units in issue who are not Affiliated Funds</b>
Nil	1	53%

# BlackRock Charities UK Equity ESG Fund

## Notes to Financial Statements

### 12. Related Parties

All related party transactions were carried out at arm's length in the ordinary course of business. The terms and returns received by the related parties in making the investments above were no more favourable than those received by other investors investing into the same unit class.

### 13. Income Reserve Account

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Balance at the beginning of the year/period	3,385	3,176
Adjustment to opening reserve	(9)	–
(Decrease)/increase in undistributed revenue	(190)	209
<b>Balance at the end of the year/period</b>	<b>3,186</b>	<b>3,385</b>

### 14. Portfolio Transaction Costs

For the year ended 30 June 2021

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
<b>Purchases (excluding derivatives)</b>					
Equity instruments	29,687	17	0.06	2	0.01
Collective investment schemes	47	–	–	–	–
<b>Total purchases</b>	<b>29,734</b>	<b>17</b>		<b>2</b>	
<b>Total purchases including transaction costs</b>	<b>29,753</b>				

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
<b>Sales (excluding derivatives)</b>					
Equity instruments	54,167	29	0.05	–	–
Collective investment schemes	4,991	–	–	–	–
In-Specie	3,971	–	–	–	–
<b>Total sales</b>	<b>63,129</b>	<b>29</b>		<b>–</b>	
<b>Total sales net of transaction costs</b>	<b>63,100</b>				
<b>Total transaction costs</b>		<b>46</b>		<b>2</b>	
<b>Total transaction costs as a % of average net assets</b>		<b>0.06%</b>		<b>0.00%</b>	

# BlackRock Charities UK Equity ESG Fund

## Notes to Financial Statements

### 14. Portfolio Transaction Costs

For the period from 6 December 2019 to 30 June 2020

Purchases (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	26,260	16	0.06	1	0.00
<b>Total purchases</b>	<b>26,260</b>	<b>16</b>		<b>1</b>	
<b>Total purchases including transaction costs</b>	<b>26,277</b>				

Sales (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	33,647	17	0.05	–	–
Collective investment schemes	247	–	–	–	–
In-Specie	4,574	–	–	–	–
<b>Total sales</b>	<b>38,468</b>	<b>17</b>		<b>–</b>	
<b>Total sales net of transaction costs</b>	<b>38,451</b>				
<b>Total transaction costs</b>		<b>33</b>		<b>1</b>	
<b>Total transaction costs as a % of average net assets</b>		<b>0.03%</b>		<b>0.00%</b>	

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.

For the Fund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs incurred in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

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 0.19% (30 June 2020: 0.28%).

# BlackRock Charities UK Equity ESG Fund

## Notes to Financial Statements

### 15. Units in Issue

The movement in units in issue for the year ended 30 June 2021 is as follows:

	A Income Units	A Accumulation Units
Balance at the beginning of the year	42,418,058	1,224,943
Issued during the year	4,178,999	490,275
Cancelled during the year	(18,663,058)	(1,093,061)
<b>Balance at the end of the year</b>	<b>27,933,999</b>	<b>622,157</b>

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. Subsequent 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 30 June 2021.



# BlackRock Charities UK Equity Fund

## Performance Record

### Comparative Table

	A Income Units		A Accumulation Units	
	For the year to 30.6.2021	6.12.2019 to 30.6.2020	For the year to 30.6.2021	6.12.2019 to 30.6.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	587.9	658.3	1,852	2,039
Return before operating charges	125.6	(59.09)	400.9	(181.4)
Operating charges	(3.29)	(1.89)	(10.51)	(5.87)
Return after operating charges	122.3	(60.98)	390.4	(187.3)
Distributions	(20.41)	(9.45)	(53.02)	(29.36)
Retained distributions on accumulation units	N/A	N/A	53.02	29.36
<b>Closing net asset value per unit</b>				
After direct transaction costs of	689.8	587.9	2,242	1,852
	(0.26)	(0.20)	(0.81)	(0.62)
<b>Performance</b>				
Return after charges <sup>1</sup>	20.80%	(9.26)%	21.08%	(9.18)%
<b>Other information</b>				
Closing net asset value (£000's)	225,949	210,026	25,494	38,612
Closing number of units	32,756,127	35,726,721	1,136,909	2,085,169
Operating charges <sup>2</sup>	0.52%	0.54%	0.52%	0.54%
Direct transaction costs <sup>3</sup>	0.04%	0.03%	0.04%	0.03%
<b>Prices</b>				
Highest offer unit price	707.9	704.2	2,284	2,183
Lowest bid unit price	546.2	469.3	1,735	1,455

<sup>1</sup> 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).

<sup>2</sup> 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).

<sup>3</sup> Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of equity instruments and collective investment schemes.

See note 14 for further details.



# BlackRock Charities UK Equity Fund

## Distribution Tables

for the year ended 30 June 2021

### Final Distribution in Pence per Unit

For the period from 1 April 2021 to 30 June 2021

	A Income Units	A Accumulation Units
Distribution paid 20.7.2021	5.2500	22.8500
Distribution paid 20.7.2020	5.0000	15.5819

### Third Interim Distribution in Pence per Unit

For the period from 1 January 2021 to 31 March 2021

	A Income Units	A Accumulation Units
Distribution paid 20.4.2021	4.8000	13.4300
Distribution paid 20.4.2020	4.0000	12.3937

### Second Interim Distribution in Pence per Unit

For the period from 1 October 2020 to 31 December 2020

	A Income Units	A Accumulation Units
Distribution paid 20.1.2021	5.5600	9.1449
Distribution paid 20.1.2020	0.4455	1.3800

### First Interim Distribution in Pence per Unit

For the period from 1 July 2020 to 30 September 2020

	A Income Units	A Accumulation Units
Distribution paid 20.10.2020	4.8000	7.5947
Distribution paid 20.10.2019	N/A	N/A

# BlackRock Charities UK Equity Fund

## Portfolio Statement

at 30 June 2021

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>EQUITIES – 88.88%; 30.6.2020 90.67%</b>			
<b>AUSTRALIA – 1.63%; 30.6.2020 1.66%</b>			
<b>Mining – 1.63%; 30.6.2020 1.66%</b>			
191,894	BHP	4,099	1.63
<b>BERMUDA – 1.09%; 30.6.2020 1.45%</b>			
<b>Insurance – 1.09%; 30.6.2020 1.45%</b>			
323,503	Hiscox	2,739	1.09
<b>IRELAND – 2.02%; 30.6.2020 1.18%</b>			
<b>Retail – 2.02%; 30.6.2020 1.18%</b>			
437,887	Grafton	5,080	2.02
<b>NETHERLANDS – 4.16%; 30.6.2020 2.98%</b>			
<b>Oil &amp; Gas Producers – 4.16%; 30.6.2020 2.98%</b>			
750,620	Royal Dutch Shell	10,471	4.16
<b>UNITED KINGDOM – 79.98%; 30.6.2020 83.40%</b>			
<b>Agriculture – 3.81%; 30.6.2020 5.03%</b>			
343,428	British American Tobacco	9,594	3.81
<b>Alternative Energy Sources – 0.00%; 30.6.2020 2.42%</b>			
<b>Apparel – 0.00%; 30.6.2020 1.42%</b>			
<b>Banks – 6.51%; 30.6.2020 5.58%</b>			
12,562,992	Lloyds Banking	5,838	2.32
1,461,800	Natwest	2,950	1.17
1,651,760	Standard Chartered	7,596	3.02
		<b>16,384</b>	<b>6.51</b>
<b>Beverages – 0.00%; 30.6.2020 0.46%</b>			
<b>Commercial Services – 8.32%; 30.6.2020 6.20%</b>			
2,254,543	Hays	3,564	1.42
603,441	RELX	11,529	4.58
1,175,145	Rentokil Initial	5,826	2.32
		<b>20,919</b>	<b>8.32</b>
<b>Cosmetics &amp; Personal Care – 3.85%; 30.6.2020 4.48%</b>			
228,743	Unilever	9,685	3.85
<b>Distribution &amp; Wholesale – 2.92%; 30.6.2020 1.33%</b>			
72,183	Ferguson	7,334	2.92
<b>Diversified Financial Services – 0.84%; 30.6.2020 0.00%</b>			
407,674	IntegraFin	2,106	0.84
<b>Electronics – 2.13%; 30.6.2020 0.00%</b>			
523,832	Electrocomponents	5,369	2.13

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>Engineering &amp; Construction – 0.00%; 30.6.2020 0.98%</b>			
<b>Food Producers – 2.88%; 30.6.2020 5.43%</b>			
55,581	SSP	147	0.06
330,200	Tate & Lyle	2,460	0.98
2,079,240	Tesco	4,629	1.84
		<b>7,236</b>	<b>2.88</b>
<b>Gas – 0.00%; 30.6.2020 3.39%</b>			
<b>Healthcare Products – 3.35%; 30.6.2020 3.08%</b>			
533,233	Smith & Nephew	8,414	3.35
<b>Home Builders – 3.19%; 30.6.2020 2.74%</b>			
68,383	Berkeley	3,144	1.25
3,075,303	Taylor Wimpey	4,871	1.94
		<b>8,015</b>	<b>3.19</b>
<b>Household Products – 4.85%; 30.6.2020 5.06%</b>			
189,901	Reckitt Benckiser	12,199	4.85
<b>Insurance – 6.20%; 30.6.2020 4.83%</b>			
1,297,005	Direct Line Insurance	3,729	1.48
683,333	Phoenix	4,576	1.82
524,362	Prudential	7,286	2.90
		<b>15,591</b>	<b>6.20</b>
<b>Internet – 2.25%; 30.6.2020 2.15%</b>			
620,088	Moonpig	2,697	1.07
483,439	THG	2,959	1.18
		<b>5,656</b>	<b>2.25</b>
<b>Lodging – 1.72%; 30.6.2020 1.54%</b>			
137,980	Whitbread	4,323	1.72
<b>Media – 0.00%; 30.6.2020 0.62%</b>			
<b>Metal &amp; Hardware – 1.57%; 30.6.2020 0.99%</b>			
468,171	Bodycote	3,944	1.57
<b>Mining – 6.42%; 30.6.2020 6.59%</b>			
269,384	Rio Tinto	16,150	6.42
<b>Miscellaneous Manufacturing – 2.45%; 30.6.2020 0.00%</b>			
388,200	Smiths	6,153	2.45
<b>Oil &amp; Gas Producers – 2.38%; 30.6.2020 2.30%</b>			
1,907,140	BP	5,982	2.38
<b>Pharmaceuticals – 7.94%; 30.6.2020 9.00%</b>			
209,335	AstraZeneca	18,195	7.24
123,449	GlaxoSmithKline	1,753	0.70
		<b>19,948</b>	<b>7.94</b>

# BlackRock Charities UK Equity Fund

## Portfolio Statement

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>Private Equity – 3.90%; 30.6.2020 2.43%</b>			
510,739	3i	6,004	2.39
176,651	Intermediate Capital	3,803	1.51
		<b>9,807</b>	<b>3.90</b>
<b>Retail – 2.50%; 30.6.2020 2.84%</b>			
48,325	Next	3,790	1.51
159,137	WH Smith	2,503	0.99
		<b>6,293</b>	<b>2.50</b>
<b>Telecommunications – 0.00%; 30.6.2020 1.53%</b>			
<b>Water – 0.00%; 30.6.2020 0.98%</b>			
<b>COLLECTIVE INVESTMENT SCHEMES – 10.11%; 30.6.2020 9.66%</b>			
<b>Equity Funds – 10.11%; 30.6.2020 9.22%</b>			
2,183,196	BlackRock Growth and Recovery Fund†	<b>25,412</b>	<b>10.11</b>

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>Short-term Money Market Funds – 0.00%; 30.6.2020 0.44%</b>			
<b>Portfolio of investments</b>			
		<b>248,903</b>	<b>98.99</b>
	Net other assets	2,540	1.01
<b>Total net assets</b>		<b>251,443</b>	<b>100.00</b>

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

† Managed by a related party.

# BlackRock Charities UK Equity Fund

## Statement of Total Return

for the year ended 30 June 2021

	Notes	£000's	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Income				
Net capital gains/(losses)	3		40,385	(31,596)
Revenue	4	8,016		5,061
Expenses	5	(1,259)		(847)
Net revenue before taxation		6,757		4,214
Taxation	6	(16)		–
Net revenue after taxation			6,741	4,214
Total return before distributions			47,126	(27,382)
Distributions	7		(7,868)	(4,953)
<b>Change in net assets attributable to unitholders from investment activities</b>			<b>39,258</b>	<b>(32,335)</b>

## Statement of Change in Net Assets Attributable to Unitholders

for the year ended 30 June 2021

	£000's	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
<b>Opening net assets attributable to unitholders</b>		248,638	–
Amounts receivable on issue of units	56,186		19,083
In-Specie from terminated CIF entity	–		312,437
In-Specie to other CAIF entity	(19,367)		(8,649)
Amounts payable on cancellation of units	(74,171)		(43,191)
		(37,352)	279,680
Change in net assets attributable to unitholders from investment activities		39,258	(32,335)
Retained distribution on accumulation units		766	636
Movement in Income Reserve Account (see note 13)		133	657
<b>Closing net assets attributable to unitholders</b>		<b>251,443</b>	<b>248,638</b>

# BlackRock Charities UK Equity Fund

## Balance Sheet

at 30 June 2021

	Notes	30.6.2021 £000's	30.6.2020 £000's
<b>Assets:</b>			
Fixed assets			
– Investment assets		248,903	249,462
Current assets			
– Debtors	8	2,859	1,233
– Cash and bank balances		3,281	1,522
<b>Total assets</b>		<b>255,043</b>	<b>252,217</b>
<b>Liabilities:</b>			
Creditors			
– Distributions payable		(1,720)	(1,786)
– Other creditors	9	(1,880)	(1,793)
<b>Total liabilities</b>		<b>(3,600)</b>	<b>(3,579)</b>
<b>Net assets attributable to unitholders</b>		<b>251,443</b>	<b>248,638</b>

M T Zemek (Director)

G D Bamping (Director)

BlackRock Fund Managers Limited

27 August 2021

# BlackRock Charities UK Equity Fund

## Notes to Financial Statements

for the year ended 30 June 2021

### 1. Accounting and Distribution Policies

The accounting and distribution policies are set out on pages 25 to 27.

### 2. Financial Instruments and Risks

The financial instruments and risks are set out on pages 28 to 43.

### 3. Net Capital Gains/(Losses)

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
The net capital gains/(losses) comprise:		
Gains/(losses) on non-derivative securities	40,392	(31,545)
Currency losses	(4)	(47)
Custodian transaction costs	(3)	(4)
<b>Net capital gains/(losses)</b>	<b>40,385</b>	<b>(31,596)</b>

Net gains (excluding transaction costs) listed above of £40,388,000 comprise net realised gain of £2,326,000 and net unrealised gains of £38,062,000 (30 June 2020: £(31,592,000) comprise net realised losses of £(14,986,000) and net unrealised losses of £(16,606,000). Certain realised gains and losses in the current year were unrealised in the prior year.

### 4. Revenue

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Equity distributions on CIS holdings	86	186
Interest from UK bank deposits	–	2
Manager's charge rebates	243	145
Overseas dividends	210	1
Stock dividends	124	182
UK dividends	7,353	4,545
<b>Total revenue</b>	<b>8,016</b>	<b>5,061</b>

# BlackRock Charities UK Equity Fund

## Notes to Financial Statements

### 5. Expenses

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Payable to the Manager or associates of the Manager:		
– Manager's charge	1,217	802
	1,217	802
Other expenses:		
– Audit fee	3	4
– Legal and other professional fees	1	17
– Safe custody fees	6	3
– Trustee's fees	32	21
	42	45
<b>Total expenses</b>	<b>1,259</b>	<b>847</b>

### 6. Taxation

#### (a) Analysis of tax charge

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Overseas tax	16	–
<b>Total tax charge</b>	<b>16</b>	<b>–</b>

# BlackRock Charities UK Equity Fund

## Notes to Financial Statements

### 7. Distributions

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
First distribution	1,810	209
Second distribution	1,978	1,810
Third distribution	1,745	–
Final distribution	1,979	2,111
	7,512	4,130
Add: Movement in Income Reserve Account [see note 13]	133	657
Add: Amounts deducted on cancellation of units	307	388
Add: Equalisation on In-Specie	51	–
Less: Amounts received on issue of units	(135)	(222)
<b>Distributions</b>	<b>7,868</b>	<b>4,953</b>

The distributable amount has been calculated as follows:

Net revenue after taxation	6,741	4,214
Add: Management expenses reimbursed by capital	1,127	739
<b>Distributions</b>	<b>7,868</b>	<b>4,953</b>

### 8. Debtors

	30.6.2021 £000's	30.6.2020 £000's
Accrued Manager's charge rebates	102	57
Accrued revenue	444	601
Amounts receivable for issue of units	–	575
Sales awaiting settlement	2,313	–
<b>Total debtors</b>	<b>2,859</b>	<b>1,233</b>



# BlackRock Charities UK Equity Fund

## Notes to Financial Statements

### 9. Other Creditors

	30.6.2021 £000's	30.6.2020 £000's
Accrued Audit fee	4	4
Accrued Legal and other professional fees	17	17
Accrued Manager's charge	431	312
Accrued Safe custody fees	2	3
Accrued Trustee's fee	12	8
Amounts payable for cancellation of units	576	1,028
Custodian transaction costs	2	3
Purchases awaiting settlement	836	418
<b>Total other creditors</b>	<b>1,880</b>	<b>1,793</b>

### 10. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (30 June 2020: £Nil).

### 11. Credit Facility

The Fund entered into a credit facility with JPMorgan whereby JPMorgan, together with other syndicated lenders, made a USD 475 million credit facility available to the Fund. The USD 475 million credit facility will be allocated to the Fund based on the credit facility agreement dated 23 April 2021. This credit facility may be utilised by the Fund for temporary funding purposes, including, without limitation, the funding of investor redemptions. Any interest and commitment fees in relation to drawdowns from such credit facility are paid out of the assets of the Fund.

### 12. 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 30 June 2021:

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. During the year PNC Financial Services Group, Inc. ("PNC"), was a substantial shareholder in BlackRock, Inc. PNC did not provide any services to the Fund during the year/period ended 30 June 2021 and 30 June 2020. As at 30 June 2021, PNC is no longer an affiliate of the Entity.

# BlackRock Charities UK Equity Fund

## Notes to Financial Statements

### 12. Related Parties

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 7. Any amounts due to or from the Manager at the year end are disclosed in notes 8 and 9. Management fees paid to the Manager are shown in note 5. The balances due at the year end in respect of these fees are shown in note 9.

For holdings in Institutional Cash Series plc ("ICS"), there will be no initial charges or redemption charges payable on investments in the Fund, however, duties and charges may apply. ICS will be subject to fees and expenses which may include fixed management fees, performance fees, administration fees and custodial fees.

The Fund may invest in other CIS, which may or may not be operated and/or managed by an affiliate of the Manager. As an investor in such other CIS, in addition to the fees, costs and expenses payable by a unitholder in the Funds, each unitholder may also indirectly bear a portion of the fees, costs and expenses of the underlying CIS, including management, investment management and administration and other expenses. However, in respect of investments made in any other investment fund whose manager is an affiliate of the Manager, the Fund will invest, where possible, in classes of the underlying funds which are not subject to any management charges. Alternatively, where this is not possible, the Manager will rebate management charges to the Fund. The Fund will not be subject to any preliminary/initial sales fee in respect of investments made in any other investment fund whose manager is an affiliate of the Manager, although it may be subject to duties and charges in respect of subscriptions and redemptions in such investment funds.

The Fund's investments in other BlackRock related party entities are individually identified in the Portfolio Statement.

As at 30 June 2021 and 30 June 2020, 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 related parties to the Fund.

All related party transactions were carried out at arm's length in the ordinary course of business. The terms and returns received by the related parties in making the investments above were no more favourable than those received by other investors investing into the same unit class.

# BlackRock Charities UK Equity Fund

## Notes to Financial Statements

### 13. Income Reserve Account

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Balance at the beginning of the year/period	11,472	10,815
Increase in undistributed revenue	133	657
<b>Balance at the end of the year/period</b>	<b>11,605</b>	<b>11,472</b>

### 14. Portfolio Transaction Costs

For the year ended 30 June 2021

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
<b>Purchases (excluding derivatives)</b>					
Equity instruments	73,002	43	0.06	2	0.00
<b>Total purchases</b>	<b>73,002</b>	<b>43</b>		<b>2</b>	
<b>Total purchases including transaction costs</b>	<b>73,047</b>				

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
<b>Sales (excluding derivatives)</b>					
Equity instruments	86,542	54	0.06	–	–
Collective investment schemes	7,759	–	–	–	–
In-Specie	18,444	–	–	–	–
<b>Total sales</b>	<b>112,745</b>	<b>54</b>		<b>–</b>	
<b>Total sales net of transaction costs</b>	<b>112,691</b>				
<b>Total transaction costs</b>		<b>97</b>		<b>2</b>	
<b>Total transaction costs as a % of average net assets</b>		<b>0.04%</b>		<b>0.00%</b>	

# BlackRock Charities UK Equity Fund

## Notes to Financial Statements

### 14. Portfolio Transaction Costs

For the period from 6 December 2019 to 30 June 2020

Purchases (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	62,907	36	0.06	3	0.00
<b>Total purchases</b>	<b>62,907</b>	<b>36</b>		<b>3</b>	
<b>Total purchases including transaction costs</b>	<b>62,946</b>				

Sales (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	84,736	50	0.06	–	–
Collective investment schemes	1,057	–	–	–	–
In-Species	7,878	–	–	–	–
<b>Total sales</b>	<b>93,671</b>	<b>50</b>		<b>–</b>	
<b>Total sales net of transaction costs</b>	<b>93,621</b>				
<b>Total transaction costs</b>		<b>86</b>		<b>3</b>	
<b>Total transaction costs as a % of average net assets</b>		<b>0.03%</b>		<b>0.00%</b>	

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 in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs incurred in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

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 0.19% (30 June 2020: 0.26%).

# BlackRock Charities UK Equity Fund

## Notes to Financial Statements

### 15. Units in Issue

The movement in units in issue for the year ended 30 June 2021 is as follows:

	A Income Units	A Accumulation Units
Balance at the beginning of the year	35,726,721	2,085,169
Issued during the year	5,829,236	871,643
Cancelled during the year	(5,633,281)	(1,819,523)
Converted during the year	1,206	(380)
In-Specied out into CAIF	(3,167,755)	–
<b>Balance at the end of the year</b>	<b>32,756,127</b>	<b>1,136,909</b>

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. Subsequent 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 30 June 2021.



# BlackRock Charities UK Equity Index Fund

## Performance Record

### Comparative Table

	A Income Units		A Accumulation Units	
	For the year to 30.6.2021	6.12.2019 to 30.6.2020	For the year to 30.6.2021	6.12.2019 to 30.6.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	1,164	1,376	2,264	2,619
Return before operating charges	246.5	(191.6)	487.6	(353.7)
Operating charges	(1.13)	(0.78)	(2.22)	(1.49)
Return after operating charges	245.4	(192.4)	485.4	(355.2)
Distributions	(39.20)	(19.97)	(77.24)	(38.34)
Retained distributions on accumulation units	N/A	N/A	77.24	38.34
<b>Closing net asset value per unit</b>				
After direct transaction costs of	(0.19)	(0.09)	(0.38)	(0.17)
<b>Performance</b>				
Return after charges <sup>1</sup>	21.08%	(13.98)%	21.44%	(13.56)%
<b>Other information</b>				
Closing net asset value (£000's)	113,751	139,240	12,262	8,895
Closing number of units	8,301,489	11,965,608	445,994	392,905
Operating charges <sup>2</sup>	0.09%	0.11%	0.09%	0.11%
Direct transaction costs <sup>3</sup>	0.02%	0.00%	0.02%	0.00%
<b>Prices</b>				
Highest offer unit price	1,405	1,461	2,798	2,794
Lowest bid unit price	1,072	933.1	2,104	1,784

<sup>1</sup> 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).

<sup>2</sup> 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).

<sup>3</sup> Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of equity instruments and collective investment schemes.

See note 15 for further details.

# BlackRock Charities UK Equity Index Fund

## Performance Record

### Comparative Table

	X Income Units		X Accumulation Units	
	For the year to 30.6.2021	6.12.2019 to 30.6.2020	For the period from 1.7.2020 to 20.1.2021 <sup>^</sup>	6.12.2019 to 30.6.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	93.96	111.2	120.4	139.2
Return before operating charges	19.94	(15.56)	15.71	(18.74)
Operating charges	(0.02)	(0.02)	(0.01)	(0.02)
Return after operating charges	19.92	(15.58)	15.70	(18.76)
Distributions	(3.24)	(1.66)	(1.85)	(2.09)
Retained distributions on accumulation units	N/A	N/A	1.85	2.09
<b>Closing net asset value per unit</b>				
After direct transaction costs of	(0.02)	(0.01)	(0.01)	(0.01)
<b>Performance</b>				
Return after charges <sup>1</sup>	21.20%	(14.01)%	13.04%	(13.48)%
<b>Other information</b>				
Closing net asset value (£000's)	111,497	96,547	–	24,475
Closing number of units	100,774,620	102,753,739	–	20,321,110
Operating charges <sup>2</sup>	0.02%	0.03%	0.02%	0.03%
Direct transaction costs <sup>3</sup>	0.02%	0.00%	0.02%	0.00%
<b>Prices</b>				
Highest offer unit price	113.5	118.0	139.2	148.6
Lowest bid unit price	86.55	75.36	112.3	94.90

<sup>1</sup> 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).

<sup>2</sup> 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).

<sup>3</sup> Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of equity instruments and collective investment schemes.

See note 15 for further details.

<sup>^</sup> The X Accumulation unit class closed on 20.1.2021.



# BlackRock Charities UK Equity Index Fund

## Distribution Tables

for the year ended 30 June 2021

### Final Distribution in Pence per Unit

For the period from 1 April 2021 to 30 June 2021

	A Income Units	A Accumulation Units
Distribution paid 20.7.2021	10.1297	20.2154
Distribution paid 20.7.2020	7.0533	13.6371

	X Income Units	X Accumulation Units
Distribution paid 20.7.2021	0.8405	N/A
Distribution paid 20.7.2020	0.5864	0.7469

### Third Interim Distribution in Pence per Unit

For the period from 1 January 2021 to 31 March 2021

	A Income Units	A Accumulation Units
Distribution paid 20.4.2021	11.6460	23.0120
Distribution paid 20.4.2020	11.5609	22.1027

	X Income Units	X Accumulation Units
Distribution paid 20.4.2021	0.9599	0.0000
Distribution paid 20.4.2020	0.9540	1.2014

### Second Interim Distribution in Pence per Unit

For the period from 1 October 2020 to 31 December 2020

	A Income Units	A Accumulation Units
Distribution paid 20.1.2021	7.2911	14.2999
Distribution paid 20.1.2020	1.3603	2.5991

	X Income Units	X Accumulation Units
Distribution paid 20.1.2021	0.6062	0.7834
Distribution paid 20.1.2020	0.1157	0.1456

# BlackRock Charities UK Equity Index Fund

## Distribution Tables

### First Interim Distribution in Pence per Unit

For the period from 1 July 2020 to 30 September 2020

	A Income Units	A Accumulation Units
Distribution paid 20.10.2020	10.1344	19.7164
Distribution paid 20.10.2019	N/A	N/A

	X Income Units	X Accumulation Units
Distribution paid 20.10.2020	0.8359	1.0715
Distribution paid 20.10.2019	N/A	N/A

# BlackRock Charities UK Equity Index Fund

## Portfolio Statement

at 30 June 2021

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
<b>EQUITIES – 93.57%; 30.6.2020 93.29%</b>			
<b>AUSTRALIA – 1.87%; 30.6.2020 1.77%</b>			
<b>Mining – 1.87%; 30.6.2020 1.77%</b>	207,686 BHP	4,436	1.87
<b>AUSTRIA – 0.05%; 30.6.2020 0.03%</b>			
<b>Hand &amp; Machine Tools – 0.05%; 30.6.2020 0.03%</b>	2,791 RHI Magnesita	113	0.05
<b>BERMUDA – 0.12%; 30.6.2020 0.13%</b>			
<b>Insurance – 0.12%; 30.6.2020 0.13%</b>	33,607 Hiscox	285	0.12
<b>CHILE – 0.21%; 30.6.2020 0.17%</b>			
<b>Mining – 0.21%; 30.6.2020 0.17%</b>	34,717 Antofagasta	503	0.21
<b>CYPRUS – 0.23%; 30.6.2020 0.28%</b>			
<b>Mining – 0.23%; 30.6.2020 0.28%</b>	35,572 Polymetal International	552	0.23
<b>CZECH REPUBLIC – 0.11%; 30.6.2020 0.15%</b>			
<b>Computers – 0.11%; 30.6.2020 0.15%</b>	55,118 Avast	272	0.11
<b>GEORGIA – 0.06%; 30.6.2020 0.04%</b>			
<b>Banks – 0.04%; 30.6.2020 0.03%</b>	3,738 Bank of Georgia	50	0.02
	3,960 TBC Bank	45	0.02
		<b>95</b>	<b>0.04</b>
<b>Diversified Financial Services – 0.02%; 30.6.2020 0.01%</b>			
	6,111 Georgia Capital	43	0.02
<b>Healthcare Services – 0.00%; 30.6.2020 0.00%</b>			
<b>GERMANY – 0.15%; 30.6.2020 0.11%</b>			
<b>Leisure Time – 0.11%; 30.6.2020 0.08%</b>	73,060 TUI	265	0.11
<b>Real Estate Investment &amp; Services – 0.04%; 30.6.2020 0.03%</b>			
	97,072 Sirius Real Estate	107	0.04
<b>GIBRALTAR – 0.04%; 30.6.2020 0.02%</b>			
<b>Entertainment – 0.04%; 30.6.2020 0.02%</b>	26,723 888	102	0.04

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
<b>GUERNSEY – 0.09%; 30.6.2020 0.08%</b>			
<b>Diversified Financial Services – 0.00%; 30.6.2020 0.02%</b>			
<b>Investment Companies – 0.06%; 30.6.2020 0.01%</b>	51,658 Chrysalis Investments	132	0.06
<b>Private Equity – 0.02%; 30.6.2020 0.02%</b>			
	43,786 BMO Commercial Property Trust	40	0.02
<b>Real Estate Investment &amp; Services – 0.01%; 30.6.2020 0.01%</b>			
	73,297 Raven Property	21	0.01
<b>Real Estate Investment Trusts – 0.00%; 30.6.2020 0.02%</b>			
<b>IRELAND – 4.19%; 30.6.2020 3.96%</b>			
<b>Beverages – 0.04%; 30.6.2020 0.04%</b>			
	39,521 C&C	96	0.04
<b>Building Materials – 1.21%; 30.6.2020 1.11%</b>			
	78,213 CRH	2,872	1.21
<b>Commercial Services – 1.07%; 30.6.2020 1.31%</b>			
	90,882 Experian	2,550	1.07
<b>Entertainment – 0.92%; 30.6.2020 0.65%</b>			
	16,576 Flutter Entertainment	2,191	0.92
<b>Food Producers – 0.03%; 30.6.2020 0.03%</b>			
	61,168 Greencore	77	0.03
<b>Forest Products &amp; Paper – 0.43%; 30.6.2020 0.32%</b>			
	25,900 Smurfit Kappa	1,016	0.43
<b>Healthcare Services – 0.11%; 30.6.2020 0.09%</b>			
	25,182 UDG Healthcare	269	0.11
<b>Mining – 0.01%; 30.6.2020 0.00%</b>			
	6,655 Kenmare Resources	30	0.01
<b>Oil &amp; Gas Producers – 0.25%; 30.6.2020 0.34%</b>			
	9,879 DCC	587	0.25
<b>Retail – 0.11%; 30.6.2020 0.07%</b>			
	21,815 Grafton	253	0.11
<b>Software – 0.01%; 30.6.2020 0.00%</b>			
	17,665 Hostelworld	19	0.01
<b>ISLE OF MAN – 0.47%; 30.6.2020 0.27%</b>			
<b>Entertainment – 0.42%; 30.6.2020 0.22%</b>			
	58,161 Entain	1,009	0.42
<b>Software – 0.05%; 30.6.2020 0.05%</b>			
	29,791 Playtech	128	0.05

# BlackRock Charities UK Equity Index Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
<b>ISRAEL – 0.07%; 30.6.2020 0.08%</b>			
<b>Biotechnology – 0.01%; 30.6.2020 0.01%</b>			
30,448	BATM Advanced Communications	27	0.01
<b>Diversified Financial Services – 0.06%; 30.6.2020 0.07%</b>			
9,966	Plus500	132	0.06
<b>JERSEY – 0.13%; 30.6.2020 0.16%</b>			
<b>Diversified Financial Services – 0.08%; 30.6.2020 0.06%</b>			
9,862	JTC	61	0.03
13,757	Sanne	115	0.05
		<b>176</b>	<b>0.08</b>
<b>Mining – 0.05%; 30.6.2020 0.10%</b>			
107,668	Centamin	109	0.05
<b>JORDAN – 0.17%; 30.6.2020 0.19%</b>			
<b>Pharmaceuticals – 0.17%; 30.6.2020 0.19%</b>			
16,854	Hikma Pharmaceuticals	410	0.17
<b>MEXICO – 0.06%; 30.6.2020 0.08%</b>			
<b>Mining – 0.06%; 30.6.2020 0.08%</b>			
18,497	Fresnillo	143	0.06
<b>NETHERLANDS – 5.18%; 30.6.2020 5.56%</b>			
<b>Food Producers – 0.00%; 30.6.2020 0.51%</b>			
<b>Internet – 0.51%; 30.6.2020 0.00%</b>			
17,993	Just Eat Takeaway.com	1,216	0.51
<b>Lodging – 0.02%; 30.6.2020 0.01%</b>			
2,926	PPHE Hotel	48	0.02
<b>Oil &amp; Gas Producers – 4.65%; 30.6.2020 5.04%</b>			
409,002	Royal Dutch Shell	5,892	2.48
369,291	Royal Dutch Shell	5,152	2.17
		<b>11,044</b>	<b>4.65</b>
<b>PERU – 0.02%; 30.6.2020 0.02%</b>			
<b>Mining – 0.02%; 30.6.2020 0.02%</b>			
31,436	Hochschild Mining	47	0.02
<b>RUSSIA – 0.03%; 30.6.2020 0.11%</b>			
<b>Iron &amp; Steel – 0.00%; 30.6.2020 0.08%</b>			
<b>Mining – 0.03%; 30.6.2020 0.03%</b>			
338,535	Petropavlovsk	80	0.03
<b>SINGAPORE – 0.04%; 30.6.2020 0.03%</b>			
<b>Electricity – 0.04%; 30.6.2020 0.03%</b>			
1,565	XP Power	87	0.04

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
<b>SOUTH AFRICA – 0.13%; 30.6.2020 0.11%</b>			
<b>Banks – 0.08%; 30.6.2020 0.06%</b>			
66,577	Investec	191	0.08
<b>Healthcare Services – 0.05%; 30.6.2020 0.05%</b>			
37,904	Mediclinic International	111	0.05
<b>SWITZERLAND – 2.07%; 30.6.2020 1.39%</b>			
<b>Airlines – 0.15%; 30.6.2020 0.12%</b>			
7,622	Wizz Air	352	0.15
<b>Beverages – 0.22%; 30.6.2020 0.20%</b>			
19,551	Coca-Cola HBC	517	0.22
<b>Commercial Services – 0.09%; 30.6.2020 0.10%</b>			
72,074	IWG	213	0.09
<b>Iron &amp; Steel – 0.05%; 30.6.2020 0.02%</b>			
30,118	Ferrexpo	130	0.05
<b>Mining – 1.56%; 30.6.2020 0.95%</b>			
1,197,373	Glencore	3,706	1.56
<b>UNITED ARAB EMIRATES – 0.07%; 30.6.2020 0.10%</b>			
<b>Diversified Financial Services – 0.07%; 30.6.2020 0.10%</b>			
46,477	Network International	169	0.07
<b>UNITED KINGDOM – 77.87%; 30.6.2020 78.36%</b>			
<b>Advertising – 0.57%; 30.6.2020 0.45%</b>			
39,580	Ascential	164	0.07
15,874	Kin & Carta	42	0.02
117,125	WPP	1,141	0.48
		<b>1,347</b>	<b>0.57</b>
<b>Aerospace &amp; Defence – 1.24%; 30.6.2020 1.28%</b>			
322,376	BAE Systems	1,680	0.71
78,112	Meggitt	358	0.15
749,007	Rolls-Royce	729	0.31
6,975	Ultra Electronics	156	0.07
		<b>2,923</b>	<b>1.24</b>
<b>Agriculture – 3.45%; 30.6.2020 4.51%</b>			
227,571	British American Tobacco	6,357	2.68
23,638	Carr's	33	0.01
6,525	Genus	328	0.14
94,522	Imperial Brands	1,472	0.62
		<b>8,190</b>	<b>3.45</b>
<b>Airlines – 0.39%; 30.6.2020 0.25%</b>			
32,602	easyJet	292	0.12

# BlackRock Charities UK Equity Index Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
373,326	International Consolidated Airlines	648	0.27
		<b>940</b>	<b>0.39</b>
<b>Alternative Energy Sources – 0.09%; 30.6.2020 0.11%</b>			
56,842	Esken	14	0.01
49,520	John Laing	198	0.08
		<b>212</b>	<b>0.09</b>
<b>Apparel – 0.43%; 30.6.2020 0.33%</b>			
40,252	Burberry	828	0.35
40,411	Dr. Martens	181	0.08
5,562	Ted Baker	8	0.00
		<b>1,017</b>	<b>0.43</b>
<b>Automobile Manufacturers – 0.05%; 30.6.2020 0.02%</b>			
6,731	Aston Martin Lagonda Global	125	0.05
<b>Automobile Parts &amp; Equipment – 0.04%; 30.6.2020 0.02%</b>			
28,731	TI Fluid Systems	88	0.04
<b>Banks – 7.34%; 30.6.2020 7.08%</b>			
1,693,565	Barclays	2,877	1.21
2,037,374	HSBC	8,481	3.57
7,055,511	Lloyds Banking	3,279	1.38
21,830	Metro Bank	22	0.01
524,039	Natwest	1,058	0.45
37,692	OSB	174	0.07
26,280	Paragon Banking	135	0.06
255,320	Standard Chartered	1,174	0.49
124,309	Virgin Money UK	245	0.10
		<b>17,445</b>	<b>7.34</b>
<b>Beverages – 3.53%; 30.6.2020 3.34%</b>			
6,866	Barr	36	0.02
26,683	Britvic	249	0.10
228,977	Diageo	7,979	3.36
3,558	Fuller Smith & Turner	30	0.01
58,784	Marston's	52	0.02
18,294	Stock Spirits	48	0.02
		<b>8,394</b>	<b>3.53</b>
<b>Biotechnology – 0.03%; 30.6.2020 0.02%</b>			
6,101	Oxford Biomedica	80	0.03
<b>Bloomberg not found Industry Group – 0.00%; 30.6.2020 0.00%</b>			
1,962	Augmentum Fintech Rights 09/02/2021 Rights 7/9/2021 12:00:00 AM	–	0.00

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
8,766	Bluefield Solar Income Fund Rights 15/7/2021 Rights 7/15/2021 12:00:00 AM	–	0.00
8,640	Octopus Renewables Infrastructure Trust Rights 10/07/2021 Rights 7/10/2021 12:00:00 AM	–	0.00
		<b>–</b>	<b>0.00</b>
<b>Building Materials – 0.24%; 30.6.2020 0.18%</b>			
22,080	Forterra	60	0.03
21,516	Genuit	132	0.06
41,562	Ibstock	89	0.04
19,895	Marshalls	137	0.06
5,068	Norcros	16	0.01
19,671	Tyman	90	0.04
		<b>524</b>	<b>0.24</b>
<b>Chemicals – 0.91%; 30.6.2020 0.71%</b>			
13,507	Croda International	997	0.42
56,227	Elementis	86	0.04
19,051	Johnson Matthey	588	0.25
33,348	Synthomer	167	0.07
5,525	Trealt	64	0.03
8,224	Victrax	209	0.09
4,258	Zotefoams	20	0.01
		<b>2,131</b>	<b>0.91</b>
<b>Commercial Services – 4.06%; 30.6.2020 4.11%</b>			
2,746	4imprint	74	0.03
24,130	Aggreko	208	0.09
44,497	Ashtead	2,389	1.01
50,452	Babcock International	146	0.06
157,337	Capita	60	0.03
6,835	Clipper Logistics	54	0.02
23,168	De La Rue	43	0.02
3,740	Dignity	30	0.01
10,660	Euromoney Institutional Investor	109	0.05
24,437	Finabl <sup>2</sup>	–	0.00
155,550	Hays	246	0.10
21,725	Hyve	28	0.01
16,185	Intertek	896	0.38
14,642	Mears	26	0.01
121,513	Mitie	82	0.03
31,289	Pagegroup	176	0.07
56,302	QinetiQ	192	0.08
25,859	Redde Northgate	104	0.04
185,415	RELX	3,542	1.49
186,137	Rentokil Initial	923	0.39

# BlackRock Charities UK Equity Index Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
6,026	Robert Walters	42	0.02
23,088	RPS	24	0.01
13,267	Savills	151	0.06
58,071	Speedy Hire	41	0.02
12,645	SThree	57	0.02
16,785	XPS Pensions	23	0.01
		<b>9,666</b>	<b>4.06</b>

### Computers – 0.42%; 30.6.2020 0.34%

19,318	Bytes Technology	90	0.04
7,138	Computacenter	185	0.08
32,517	Equiniti	58	0.02
8,725	FDM	90	0.04
5,822	Kainos	87	0.04
24,237	NCC	72	0.03
11,294	RM	26	0.01
121,066	Serco	166	0.07
12,414	Softcat	221	0.09
		<b>995</b>	<b>0.42</b>

### Cosmetics & Personal Care – 4.66%; 30.6.2020 2.46%

17,795	PZ Cussons	44	0.02
260,217	Unilever	11,018	4.64
		<b>11,062</b>	<b>4.66</b>

### Distribution & Wholesale – 1.61%; 30.6.2020 1.49%

33,762	Bunzl	815	0.34
22,348	Ferguson	2,271	0.96
39,254	Inchcape	304	0.13
29,060	Macfarlane	33	0.01
64,407	SIG	34	0.01
22,591	Travis Perkins	386	0.16
		<b>3,843</b>	<b>1.61</b>

### Diversified Financial Services – 3.26%; 30.6.2020 3.51%

27,476	AJ Bell	119	0.05
14,596	Arrow Global	45	0.02
45,728	Ashmore	172	0.07
35,351	BMO Real Estate Investments	25	0.01
29,560	Brewin Dolphin	103	0.04
15,102	Close Brothers	228	0.10
11,068	CMC Markets	52	0.02
5,966	Foresight	23	0.01
19,427	Funding Circle	30	0.01
37,937	Hargreaves Lansdown	600	0.25
36,449	IG	313	0.13
26,179	IntegraFin	135	0.06
18,040	International Personal Finance	23	0.01

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
40,570	Jupiter Fund Management	114	0.05
5,834	Liontrust Asset Management	108	0.05
36,278	London Stock Exchange	2,906	1.22
143,255	Man PLC/Jersey	256	0.11
35,426	Ninety One	78	0.03
193,437	Northern Rock Asset Management <sup>2</sup>	–	0.00
6,199	PayPoint	35	0.01
25,273	Provident Financial	58	0.02
175,297	Quilter	261	0.11
6,083	Rathbone Brothers	112	0.05
547	River & Mercantile	1	0.00
852	S&U	22	0.01
11,201	Schroders	394	0.17
53,073	St James's Place	782	0.33
215,686	Standard Life Aberdeen	585	0.25
79,179	TP ICAP	161	0.07
		<b>7,741</b>	<b>3.26</b>

### Electricity – 2.11%; 30.6.2020 0.79%

18,568	ContourGlobal	36	0.02
39,816	Drax	170	0.07
353,722	National Grid	3,235	1.36
104,295	SSE	1,567	0.66
		<b>5,008</b>	<b>2.11</b>

### Electronics – 1.01%; 30.6.2020 1.00%

27,233	Chemring	78	0.03
8,957	DiscoverIE	85	0.04
47,139	Electrocomponents	483	0.20
37,289	Halma	1,005	0.42
9,451	Luceco	37	0.02
5,247	Oxford Instruments	122	0.05
3,428	Renishaw	170	0.07
11,622	Spectris	379	0.16
18,083	TT Electronics	47	0.02
		<b>2,406</b>	<b>1.01</b>

### Engineering & Construction – 0.37%; 30.6.2020 0.48%

62,446	Balfour Beatty	192	0.08
23,864	Costain	14	0.01
12,959	Galliford Try	19	0.01
45	Goodwin	1	0.00
10,405	Headlam	45	0.02
59,039	Helios Towers	97	0.04
27,577	HomeServe	264	0.11
5,859	John Menzies	18	0.01
6,543	Keller	53	0.02

# BlackRock Charities UK Equity Index Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
24,693	Kier	31	0.01
4,255	Morgan Sindall	92	0.04
7,256	Ricardo	29	0.01
40,904	Severfield	32	0.01
		<b>887</b>	<b>0.37</b>
<b>Entertainment – 0.12%; 30.6.2020 0.13%</b>			
110,759	Cineworld	86	0.04
7,830	Gamesys	144	0.06
23,733	Rank	40	0.02
		<b>270</b>	<b>0.12</b>
<b>Environmental Control – 0.04%; 30.6.2020 0.03%</b>			
24,820	Biffa	81	0.03
54,637	Renewi	30	0.01
		<b>111</b>	<b>0.04</b>
<b>Food Producers – 2.50%; 30.6.2020 2.85%</b>			
34,871	Associated British Foods	773	0.33
13,187	Bakkavor	17	0.01
5,204	Cranswick	208	0.09
14,342	Devro	28	0.01
9,971	Greggs	256	0.11
6,427	Hilton Food	70	0.03
163,760	J Sainsbury	442	0.19
195,645	Marks & Spencer	286	0.12
48,694	Ocado	981	0.41
70,809	Premier Foods	78	0.03
77,097	SSP	203	0.09
46,948	Tate & Lyle	350	0.15
757,463	Tesco	1,686	0.71
222,517	Wm Morrison Supermarkets	524	0.22
		<b>5,902</b>	<b>2.50</b>
<b>Food Services – 1.12%; 30.6.2020 1.02%</b>			
177,489	Compass	2,655	1.12
<b>Forest Products &amp; Paper – 0.39%; 30.6.2020 0.37%</b>			
48,601	Mondi	925	0.39
<b>Gas – 0.13%; 30.6.2020 1.90%</b>			
585,420	Centrica	305	0.13
<b>Healthcare Products – 0.74%; 30.6.2020 0.84%</b>			
160,487	ConvaTec	386	0.16
87,754	Smith & Nephew	1,385	0.58
		<b>1,771</b>	<b>0.74</b>
<b>Healthcare Services – 0.03%; 30.6.2020 0.02%</b>			
1,093	Medica	2	0.00

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
24,896	Spire Healthcare	61	0.03
		<b>63</b>	<b>0.03</b>
<b>Home Builders – 1.64%; 30.6.2020 1.53%</b>			
101,520	Barratt Developments	707	0.30
12,383	Bellway	400	0.17
11,113	Berkeley	511	0.22
51,784	Countryside Properties	247	0.10
24,813	Crest Nicholson	105	0.04
3,600	MJ Gleeson	31	0.01
31,831	Persimmon	937	0.39
22,828	Redrow	140	0.06
362,815	Taylor Wimpey	575	0.24
22,051	Vistry	259	0.11
		<b>3,912</b>	<b>1.64</b>
<b>Home Furnishings – 0.20%; 30.6.2020 0.16%</b>			
57,166	Howden Joinery	469	0.20
<b>Household Products – 1.72%; 30.6.2020 2.41%</b>			
25,406	McBride	22	0.01
63,275	Reckitt Benckiser	4,065	1.71
		<b>4,087</b>	<b>1.72</b>
<b>Insurance – 3.93%; 30.6.2020 4.26%</b>			
20,849	Admiral	660	0.28
388,267	Aviva	1,575	0.66
60,099	Beazley	198	0.08
12,914	Chesnara	34	0.01
136,994	Direct Line Insurance	394	0.17
103,151	Just	95	0.04
24,239	Lancashire	150	0.06
594,289	Legal & General	1,534	0.65
260,744	M&G	594	0.25
62,742	Phoenix	420	0.18
260,310	Prudential	3,617	1.52
24,142	Sabre Insurance	62	0.03
		<b>9,333</b>	<b>3.93</b>
<b>Internet – 0.82%; 30.6.2020 0.69%</b>			
4,991	Auction Technology	57	0.02
94,635	Auto Trader	598	0.25
11,295	Future	351	0.15
52,035	Moneysupermarket.com	134	0.06
14,286	Moonpig	62	0.03
83,996	Rightmove	545	0.23
43,839	Trainline	127	0.05

# BlackRock Charities UK Equity Index Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
17,851	Trustpilot	61	0.03
		<b>1,935</b>	<b>0.82</b>
<b>Investment Companies – 0.35%; 30.6.2020 0.33%</b>			
1,318	City of London Investment	7	0.00
470,222	Melrose Industries	716	0.30
31,321	Octopus Renewables Infrastructure Trust	33	0.01
57,868	Sdcl Energy Efficiency Income Trust	67	0.03
24,273	VH Global Sustainable Energy Opportunities	24	0.01
		<b>847</b>	<b>0.35</b>
<b>Iron &amp; Steel – 0.15%; 30.6.2020 0.00%</b>			
57,830	Evrax	<b>349</b>	<b>0.15</b>
<b>Leisure Time – 0.07%; 30.6.2020 0.05%</b>			
18,055	Gym	51	0.02
13,935	Hollywood Bowl	33	0.01
15,465	On the Beach	50	0.02
9,752	Saga	39	0.02
		<b>173</b>	<b>0.07</b>
<b>Lodging – 0.64%; 30.6.2020 0.55%</b>			
18,308	InterContinental Hotels	870	0.37
20,224	Whitbread	634	0.27
		<b>1,504</b>	<b>0.64</b>
<b>Machinery Construction &amp; Mining – 0.20%; 30.6.2020 0.14%</b>			
25,983	Weir	<b>480</b>	<b>0.20</b>
<b>Machinery Diversified – 0.78%; 30.6.2020 0.37%</b>			
26,909	IMI	463	0.19
87,250	Rotork	302	0.13
7,232	Spirax-Sarco Engineering	984	0.41
21,336	Vesuvius	112	0.05
		<b>1,861</b>	<b>0.78</b>
<b>Media – 0.83%; 30.6.2020 0.86%</b>			
8,069	Bloomsbury Publishing	28	0.01
150,023	Informa	746	0.31
373,703	ITV	466	0.20
75,285	Pearson	623	0.26
31,234	Reach	87	0.04
3,741	STV	12	0.01
		<b>1,962</b>	<b>0.83</b>
<b>Metal &amp; Hardware – 0.08%; 30.6.2020 0.07%</b>			
18,510	Bodycote	156	0.07

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
17,860	Trifast	25	0.01
		<b>181</b>	<b>0.08</b>
<b>Mining – 4.21%; 30.6.2020 3.77%</b>			
122,612	Anglo American	3,520	1.48
108,282	Rio Tinto	6,492	2.73
		<b>10,012</b>	<b>4.21</b>
<b>Miscellaneous Manufacturing – 0.64%; 30.6.2020 0.66%</b>			
2,836	Avon Rubber	73	0.03
12,184	Diploma	357	0.15
7,945	Hill & Smith	118	0.05
26,989	Morgan Advanced Materials	95	0.04
20,916	Photo-Me International	14	0.01
4,213	Porvair	24	0.01
37,069	Senior	56	0.02
39,759	Smiths	630	0.27
4,437	Vitec	62	0.03
17,719	Volution	76	0.03
		<b>1,505</b>	<b>0.64</b>
<b>Office &amp; Business Equipment – 0.01%; 30.6.2020 0.00%</b>			
9,288	Xaar	<b>17</b>	<b>0.01</b>
<b>Oil &amp; Gas Producers – 2.76%; 30.6.2020 3.28%</b>			
1,983,827	BP	6,222	2.62
48,662	Cairn Energy	71	0.03
10,971	Energean	79	0.03
126,691	EnQuest	26	0.01
5,251	Harbour Energy	20	0.01
21,261	Petrofac	24	0.01
51,614	Pharos Energy	13	0.01
155,792	Tullow Oil	92	0.04
		<b>6,547</b>	<b>2.76</b>
<b>Oil &amp; Gas Services – 0.07%; 30.6.2020 0.08%</b>			
14,787	Hunting	33	0.01
66,688	John Wood	147	0.06
		<b>180</b>	<b>0.07</b>
<b>Packaging &amp; Containers – 0.27%; 30.6.2020 0.26%</b>			
127,910	DS Smith	535	0.23
29,049	Essentra	93	0.04
		<b>628</b>	<b>0.27</b>
<b>Pharmaceuticals – 8.02%; 30.6.2020 10.02%</b>			
130,946	AstraZeneca	11,382	4.79
10,505	Dechra Pharmaceuticals	456	0.19
492,864	GlaxoSmithKline	6,998	2.95



# BlackRock Charities UK Equity Index Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets	Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
75,954	Indivior	117	0.05	55,002	LXI REIT	74	0.03
61,981	Vectura	85	0.04	7,865	McKay	18	0.01
		<b>19,038</b>	<b>0.82</b>	35,035	NewRiver REIT	30	0.01
<b>Private Equity – 0.77%; 30.6.2020 0.63%</b>				130,193	Primary Health Properties	201	0.08
95,532	3i	1,123	0.47	46,475	PRS REIT	47	0.02
27,888	Intermediate Capital	600	0.25	35,394	Regional REIT	30	0.01
103,694	IP	121	0.05	26,009	Residential Secure Income	27	0.01
1,568	Schroder European Real Estate Investment Trust	2	0.00	29,073	Schroder Real Estate Investment Trust	14	0.01
		<b>1,846</b>	<b>0.77</b>	119,288	Segro	1,310	0.55
<b>Real Estate Investment &amp; Services – 0.27%; 30.6.2020 0.32%</b>				26,249	Shaftesbury	149	0.06
4,761	Capital & Regional	3	0.00	27,217	Standard Life Investment Property Income Trust	19	0.01
12,838	CLS	31	0.01	56,451	Target Healthcare REIT	65	0.03
11,596	Ediston Property Investment	8	0.00	46,570	Triple Point Social Housing Reit	48	0.02
65,591	Empiric Student Property	56	0.02	171,162	Tritax Big Box REIT	337	0.14
22,704	Foxtons	13	0.01	86,551	UK Commercial Property REIT	66	0.03
66,379	Grainger	189	0.08	31,913	UNITE	340	0.14
25,922	Harworth	38	0.02	13,261	Workspace	109	0.05
9,911	Helical	43	0.02			<b>5,495</b>	<b>2.32</b>
9,810	Henry Boot	26	0.01	<b>Retail – 1.96%; 30.6.2020 1.50%</b>			
5,975	LSL Property Services	26	0.01	89,412	B&M European Value Retail	509	0.21
511	Palace Capital	1	0.00	39,223	Card Factory	24	0.01
7,180	Phoenix Spree Deutschland	29	0.01	22,857	DFS Furniture	64	0.03
52,883	Picton Property Income	46	0.02	98,508	Dixons Carphone	127	0.05
19,085	St Modwen Properties	106	0.04	47,083	Domino's Pizza	185	0.08
50,840	Tritax EuroBox	55	0.02	11,325	Dunelm	160	0.07
		<b>670</b>	<b>0.27</b>	18,709	Frasers	112	0.05
<b>Real Estate Investment Trusts – 2.32%; 30.6.2020 2.30%</b>				19,852	Halfords	84	0.04
19,573	Aberdeen Standard European Logistics Income	23	0.01	8,968	J D Wetherspoon	105	0.04
262,166	Assura	194	0.08	49,261	JD Sports Fashion	451	0.19
16,175	Big Yellow	211	0.09	211,765	Kingfisher	773	0.33
92,749	British Land	457	0.19	28,863	Mitchells & Butlers	80	0.03
71,691	Capital & Counties Properties	116	0.05	10,139	Motorpoint	37	0.02
60,258	Civitas Social Housing	70	0.03	12,765	Next	1,001	0.42
48,426	Custodian Reit	48	0.02	95,255	Pendragon	17	0.01
10,087	Derwent London	334	0.14	47,576	Pets at Home	218	0.09
45,660	GCP Student Living	74	0.03	73,674	Restaurant	94	0.04
25,412	Great Portland Estates	179	0.08	8,563	Superdry	38	0.02
427,819	Hammerson	161	0.07	33,834	Vivo Energy	33	0.01
32,104	Home Reit	36	0.02	23,145	Watches of Switzerland	191	0.08
22,725	Impact Healthcare Reit	25	0.01	12,561	WH Smith	198	0.08
44,651	Intu Properties <sup>2</sup>	–	0.00	28,493	Wickes	71	0.03
71,476	Land	479	0.20	27,253	World	70	0.03
88,172	LondonMetric Property	204	0.09			<b>4,642</b>	<b>1.96</b>

# BlackRock Charities UK Equity Index Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
<b>Software – 0.59%; 30.6.2020 0.62%</b>			
3,310	Alfa Financial Software	4	0.00
5,620	Aptitude Software	33	0.01
11,887	AVEVA	441	0.19
32,999	Micro Focus International	182	0.08
106,621	Sage	730	0.31
		<b>1,390</b>	<b>0.59</b>
<b>Storage &amp; Warehousing – 0.10%; 30.6.2020 0.08%</b>			
20,523	Safestore	194	0.08
11,099	Wincanton	49	0.02
		<b>243</b>	<b>0.10</b>
<b>Telecommunications – 2.26%; 30.6.2020 2.50%</b>			
95,223	Airtel Africa	73	0.03
872,526	BT	1,684	0.71
60,503	Spirant Communications	151	0.06
6,220	Telecom Plus	73	0.03
2,806,440	Vodafone	3,405	1.43
		<b>5,386</b>	<b>2.26</b>
<b>Textiles – 0.04%; 30.6.2020 0.04%</b>			
151,722	Coats	103	0.04
<b>Toys, Games &amp; Hobbies – 0.16%; 30.6.2020 0.13%</b>			
3,269	Games Workshop	379	0.16
<b>Transportation – 0.40%; 30.6.2020 0.24%</b>			
2,488	Clarkson	80	0.03
112,680	Firstgroup	92	0.04
5,199	Go-Ahead	59	0.02
5,129	James Fisher & Sons	47	0.02
53,844	National Express	144	0.06
91,918	Royal Mail	531	0.22
33,178	Stagecoach	28	0.01
		<b>981</b>	<b>0.40</b>
<b>Water – 0.73%; 30.6.2020 0.87%</b>			
42,140	Pennon	479	0.20
23,885	Severn Trent	598	0.25
68,435	United Utilities	664	0.28
		<b>1,741</b>	<b>0.73</b>
<b>UNITED STATES OF AMERICA – 0.14%; 30.6.2020 0.09%</b>			
<b>Biotechnology – 0.02%; 30.6.2020 0.02%</b>			
17,057	PureTech Health	58	0.02
<b>Leisure Time – 0.09%; 30.6.2020 0.07%</b>			
13,239	Carnival	216	0.09

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
<b>Oil &amp; Gas Producers – 0.03%; 30.6.2020 0.00%</b>			
69,308	Diversified Energy	72	0.03
<b>COLLECTIVE INVESTMENT SCHEMES – 6.78%; 30.6.2020 6.33%</b>			
<b>Equity Funds – 1.23%; 30.6.2020 1.27%</b>			
17,337	Aberdeen Asian Income Fund	40	0.02
30,785	Apax Global Alpha	61	0.03
66,633	BBGI Global Infrastructure	118	0.05
2,085	BH Global	40	0.02
1,420	BH Macro	47	0.02
43,833	Bluefield Solar Income Fund	53	0.02
13,221	CVC Credit Partners European Opportunities	14	0.01
66,559	Foresight Solar Fund	66	0.03
46,770	GCP Asset Backed Income Fund	47	0.02
96,384	GCP Infrastructure Investments	98	0.04
11,977	Genesis Emerging Markets Fund	110	0.05
8,018	HarbourVest Global Private Equity	175	0.07
12,275	Henderson Far East Income	39	0.02
114,420	Hipgnosis Songs Fund Fund	140	0.06
161,431	International Public Partnerships	270	0.11
55,806	JLEN Environmental Assets	55	0.02
27,790	JPMorgan Global Core Real Assets Fund	24	0.01
29,633	KKV Secured Loan Fund	5	0.00
12,590	KKV Secured Loan Fund	4	0.00
4,664	NB Private Equity Partners Ltd/Fund	65	0.03
15,766	Pershing Square Ltd/Fund	415	0.18
22,575	Real Estate Credit Investments Fund	33	0.01
209,652	Renewables Infrastructure	269	0.11
1,143	Riverstone Energy	4	0.00
16,936	Ruffer Investment Company	49	0.02
29,771	Schroder Oriental Income Fund	82	0.03
166,038	Sequoia Economic Infrastructure Income Fund	185	0.08
49,249	Syncona	102	0.04
45,494	TwentyFour Income Fund	49	0.02
30,522	TwentyFour Select Monthly Income Fund	29	0.01
19,334	Vietnam Enterprise Investments	136	0.06
18,661	VinaCapital Vietnam Opportunity Fund	89	0.04
		<b>2,913</b>	<b>1.23</b>
<b>Fixed Income Funds – 0.03%; 30.6.2020 0.04%</b>			
39,301	CQS New City High Yield Fund	22	0.01

# BlackRock Charities UK Equity Index Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets	Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
10,319	Invesco Bond Income Plus	19	0.01	9,333	BMO Capital & Income Investment Trust	30	0.01
21,666	NB Global Monthly Income Fund	19	0.01	58,212	BMO Global Smaller Companies	94	0.04
		<b>60</b>	<b>0.03</b>	6,838	BMO Private Equity Trust	27	0.01
<b>Investment Trusts – 5.50%; 30.6.2020 5.01%</b>				1,398	Brown Advisory US Smaller Companies	20	0.01
58,086	3i Infrastructure	173	0.07	2,221	Brunner Investment Trust	21	0.01
29,066	Aberdeen Diversified Income and Growth Trust	29	0.01	3,259	Caledonia Investments	104	0.04
10,555	Aberdeen New Dawn Investment Trust	34	0.01	1,159	Capital Gearing Trust	56	0.02
6,062	Aberdeen New India Investment Trust	34	0.01	20,428	CC Japan Income & Growth Trust	28	0.01
2,521	Aberdeen Standard Asia Focus	33	0.01	41,425	City of London Investment Trust	162	0.07
2,326	Aberdeen Standard Equity Income Trust	8	0.00	32,121	Diverse Income Trust PLC/ The	37	0.02
8,613	Aberforth Smaller Companies Trust	132	0.06	14,216	Dunedin Income Growth Investment Trust	44	0.02
15,166	Aberforth Split Level Income Trust	13	0.01	7,089	Ecofin Global Utilities and Infrastructure Trust	12	0.01
32,250	Alliance Trust	318	0.13	17,125	Edinburgh Investment Trust	104	0.04
42,761	Allianz Technology Trust	126	0.05	37,312	Edinburgh Worldwide Investment Trust	135	0.06
1,077	Artemis Alpha Trust	5	0.00	2,498	Electra Private Equity	16	0.01
13,336	Asia Dragon Trust	70	0.03	14,285	EP Global Opportunities Trust	41	0.02
9,322	Augmentum Fintech	13	0.01	35,188	European Assets Trust	47	0.02
3,750	Aurora Investment Trust PLC/ The Fund	9	0.00	9,782	European Opportunities Trust	73	0.03
11,163	Avi Global Trust	108	0.05	53,818	F&C Investment Trust	456	0.19
18,182	AVI Japan Opportunity Trust	20	0.01	6,342	Fidelity Asian Values	31	0.01
5,133	Baillie Gifford China Growth Trust	25	0.01	34,705	Fidelity China Special Situations	145	0.06
41,720	Baillie Gifford European Growth Trust	63	0.03	43,558	Fidelity European Trust	133	0.06
9,092	Baillie Gifford Japan Trust	94	0.04	17,687	Fidelity Japan Trust	39	0.02
31,214	Baillie Gifford Shin Nippon	72	0.03	21,090	Fidelity Special Values	61	0.03
13,678	Baillie Gifford UK Growth Trust	32	0.01	22,356	Finsbury Growth & Income Trust	200	0.08
30,755	Baillie Gifford US Growth Trust	109	0.05	3,104	Fundsmith Emerging Equities Trust	43	0.02
128,263	Bankers Investment Trust	148	0.06	26,728	Gore Street Energy Storage Fund Fund	30	0.01
53,372	BB Healthcare Trust	106	0.04	198,095	Greencoat UK Wind	252	0.11
4,521	Biotech Growth Trust	63	0.03	13,935	Henderson Diversified Income Trust	12	0.01
16,948	BlackRock Frontiers Investment Trust <sup>†</sup>	20	0.01	2,249	Henderson European Focus Trust	36	0.02
8,840	BlackRock Greater Europe Investment Trust <sup>†</sup>	56	0.02	2,209	Henderson EuroTrust	33	0.01
6,075	BlackRock Latin American Investment Trust <sup>†</sup>	24	0.01	15,791	Henderson High Income Trust	27	0.01
12,792	Blackrock North American Income Trust <sup>†</sup>	23	0.01	21,195	Henderson International Income Trust	35	0.02
4,513	BlackRock Smaller Companies Trust <sup>†</sup>	89	0.04	7,297	Henderson Smaller Companies Investment Trust	91	0.04
10,058	Blackrock Throgmorton Trust <sup>†</sup>	93	0.04	6,589	Herald Investment Trust	145	0.06
17,422	BlackRock World Mining Trust <sup>†</sup>	106	0.04	37,980	HgCapital Trust	137	0.06
				194,313	HicI Infrastructure	330	0.14
				4,120	Honeycomb Investment Trust	40	0.02
				7,290	ICG Enterprise Trust	77	0.03

# BlackRock Charities UK Equity Index Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets	Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
25,802	Impax Environmental Markets	124	0.05	5,876	Mid Wynd International Investment Trust	45	0.02
5,800	Independent Investment Trust	32	0.01	17,725	Middlefield Canadian Income PCC	19	0.01
3,968	International Biotechnology Trust	28	0.01	23,222	Monks Investment Trust	323	0.14
6,439	Invesco Asia Trust	23	0.01	1,430	Montanaro European Smaller Cos Trust	24	0.01
3,023	Invesco Perpetual UK Smaller Cos Investment Trust	19	0.01	17,506	Montanaro UK Smaller Companies Investment Trust	28	0.01
5,195	Invesco Select Trust	9	0.00	12,360	Murray Income Trust	108	0.05
19,923	JPMorgan American Investment Trust	130	0.05	12,558	Murray International Trust	150	0.06
8,349	JPMorgan Asia Growth & Income	42	0.02	52,240	NextEnergy Solar Fund	53	0.02
8,297	JPMorgan China Growth & Income	59	0.03	18,200	North American Income Trust	50	0.02
5,468	JPMorgan Claverhouse Investment Trust	40	0.02	996	North Atlantic Smaller Cos Investment Trust	45	0.02
120,415	JPMorgan Emerging Markets Investment Trust	162	0.07	11,212	Pacific Assets Trust	37	0.02
15,993	JPMorgan European Discovery Trust	77	0.03	7,344	Pacific Horizon Investment Trust	62	0.03
8,160	JPMorgan European Investment Trust - Growth/Fund	29	0.01	5,399	Pantheon International Fund	148	0.06
14,357	JPMorgan European Investment Trust - Income	22	0.01	316	Personal Assets Trust	151	0.06
30,032	JPMorgan Global Emerging Markets Income Trust	44	0.02	17,036	Polar Capital Global Financials Trust	29	0.01
16,722	JPMorgan Global Growth & Income	72	0.03	14,548	Polar Capital Global Healthcare Trust	39	0.02
8,582	JPMorgan Indian Investment Trust	64	0.03	13,751	Polar Capital Technology Trust	328	0.14
4,987	JPMorgan Japan Small Cap Growth & Income	25	0.01	12,830	RIT Capital Partners	318	0.13
16,186	JPMorgan Japanese Investment Trust	101	0.04	10,639	Schroder Asian Total Return Investment	53	0.02
1,884	JPMorgan Mid Cap Investment Trust	27	0.01	16,791	Schroder AsiaPacific Fund	103	0.04
4,589	JPMorgan Russian	34	0.01	5,176	Schroder Income Growth Fund	16	0.01
6,513	JPMorgan Smaller Companies Investment Trust	26	0.01	11,296	Schroder Japan Growth Fund	23	0.01
4,021	JPMorgan US Smaller Companies Investment Trust	17	0.01	4,387	Schroder UK Mid Cap Fund	31	0.01
3,763	Keystone Positive Change Investment Trust	12	0.01	107,951	Schroder UK Public Private	34	0.01
11,742	Law Debenture	89	0.04	18,594	Scottish American Investment	92	0.04
21	Lindsell Train Investment Trust	32	0.01	5,944	Scottish Investment Trust	48	0.02
2,256	Lowland Investment Company	31	0.01	142,123	Scottish Mortgage Investment Trust	1,865	0.79
23,181	M&G Credit Income Investment Trust	22	0.01	2,540	Scottish Oriental Smaller Companies Trust	27	0.01
9,570	Majedie Investments	22	0.01	14,260	Smithson Investment Trust	255	0.11
7,906	Martin Currie Global Portfolio Trust	32	0.01	5,829	Standard Life Private Equity Trust	26	0.01
79,285	Mercantile Investment Trust	206	0.09	11,445	Standard Life UK Smaller Companies Trust	80	0.03
11,910	Merchants Trust	62	0.03	6,076	Strategic Equity Capital	18	0.01
				6,616	Temple Bar Investment Trust	71	0.03
				23,715	Templeton Emerging Markets Investment Trust	239	0.10
				5,551	TR European Growth Trust	82	0.03
				31,836	TR Property Investment Trust - Ordinary Shares	142	0.06

# BlackRock Charities UK Equity Index Fund

## Portfolio Statement

Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets	Holding or Nominal Value	Investment <sup>1</sup>	Market Value £000's	% of Total Net Assets
32,677	Troy Income & Growth Trust	25	0.01	<b>Property Funds – 0.02%; 30.6.2020 0.01%</b>			
12,522	Trust of Scotland	26	0.01	5,035	ICG-Longbow Senior Secured UK Property Debt Investments	4	0.00
15,554	Utilico Emerging Markets Trust Fund	35	0.01	46,558	Starwood European Real Estate Finance	43	0.02
3,925	Value and Indexed Property	9	0.00				
21,004	VPC Specialty Lending Investments	18	0.01			<b>47</b>	<b>0.02</b>
79,055	Witan Investment Trust	191	0.08				
6,295	Worldwide Healthcare Trust	241	0.10				
		<b>13,073</b>	<b>5.50</b>				

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
<b>DERIVATIVES – (0.01%); 30.6.2020 0.02%</b>			
<b>Futures – (0.01%); 30.6.2020 0.02%</b>			
	20 FTSE 100 Index September 2021	(23)	(0.01)
<b>Portfolio of investments</b>		<b>238,309</b>	<b>100.34</b>
Net other liabilities		(799)	(0.34)
<b>Total net assets</b>		<b>237,510</b>	<b>100.00</b>

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

<sup>1</sup> All securities that have a value of less than £500 have been rounded to zero.

<sup>2</sup> Security fair valued by Manager at zero.

<sup>†</sup> Managed by a related party.

# BlackRock Charities UK Equity Index Fund

## Statement of Total Return

for the year ended 30 June 2021

	Notes	£000's	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Income				
Net capital gains/(losses)	3		46,301	(45,752)
Revenue	4	8,558		4,736
Expenses	5	(150)		(105)
Interest payable and similar charges	6	(2)		–
Net revenue before taxation		8,406		4,631
Taxation	7	(10)		(38)
Net revenue after taxation			8,396	4,593
Total return before distributions			54,697	(41,159)
Distributions	8		(8,396)	(4,611)
<b>Change in net assets attributable to unitholders from investment activities</b>			<b>46,301</b>	<b>(45,770)</b>

## Statement of Change in Net Assets Attributable to Unitholders

for the year ended 30 June 2021

	£000's	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
<b>Opening net assets attributable to unitholders</b>		269,157	–
Amounts receivable on issue of units	35,298		52,698
In-Specie from terminated CIF entity	–		279,646
Amounts payable on cancellation of units	(113,927)		(17,963)
		(78,629)	314,381
Stamp duty reserve tax		–	(6)
Change in net assets attributable to unitholders from investment activities		46,301	(45,770)
Retained distribution on accumulation units		681	552
<b>Closing net assets attributable to unitholders</b>		<b>237,510</b>	<b>269,157</b>

# BlackRock Charities UK Equity Index Fund

## Balance Sheet

at 30 June 2021

	Notes	30.6.2021 £000's	30.6.2020 £000's
<b>Assets:</b>			
Fixed assets			
– Investment assets		238,332	268,179
Current assets			
– Debtors	9	718	1,244
– Cash and bank balances	10	2,212	1,285
– Cash collateral posted		124	–
<b>Total assets</b>		<b>241,386</b>	<b>270,708</b>
<b>Liabilities:</b>			
Investment liabilities		(23)	–
Creditors			
– Distributions payable		(1,688)	(1,447)
– Other creditors	11	(2,165)	(104)
<b>Total liabilities</b>		<b>(3,876)</b>	<b>(1,551)</b>
<b>Net assets attributable to unitholders</b>		<b>237,510</b>	<b>269,157</b>

M T Zemek (Director)

G D Bamping (Director)

BlackRock Fund Managers Limited

27 August 2021

# BlackRock Charities UK Equity Index Fund

## Notes to Financial Statements

for the year ended 30 June 2021

### 1. Accounting and Distribution Policies

The accounting and distribution policies are set out on pages 25 to 27.

### 2. Financial Instruments and Risks

The financial instruments and risks are set out on pages 28 to 43.

### 3. Net Capital Gains/(Losses)

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
The net capital gains/(losses) comprise:		
Gains/(losses) on non-derivative securities	45,772	(44,891)
Gains/(losses) on derivative securities	558	(818)
Currency losses	(22)	(35)
Manager's charge rebates	2	1
Custodian transaction costs	(9)	(9)
<b>Net capital gains/(losses)</b>	<b>46,301</b>	<b>(45,752)</b>

Net gains (excluding Manager's charge rebates and transaction costs) listed above of £46,308,000 comprise net realised losses of £(318,000) and net unrealised gains of £46,626,000 (2020: £(45,744,000) comprising net realised losses of £(3,277,000) and net unrealised losses of £(42,467,000)).

### 4. Revenue

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Equity distributions on CIS holdings	264	42
Interest distributions on CIS holdings	7	4
Interest from UK bank deposits	1	2
Manager's charge rebates	1	–
Overseas dividends	931	583
Overseas REIT dividends	12	4
Stock dividends	2	22
UK dividends	7,190	3,990
UK REIT dividends	150	89
<b>Total revenue</b>	<b>8,558</b>	<b>4,736</b>



# BlackRock Charities UK Equity Index Fund

## Notes to Financial Statements

### 5. Expenses

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Payable to the Manager or associates of the Manager:		
– Manager's charge	113	66
	113	66
Other expenses:		
– Audit fee	3	3
– Legal and other professional fees	1	18
– Safe custody fees	8	3
– Trustee's fees	25	15
	37	39
<b>Total expenses</b>	<b>150</b>	<b>105</b>

### 6. Interest Payable and Similar Charges

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Interest on bank overdrafts	1	–
Interest paid on margin deposits	1	–
<b>Total interest payable and similar charges</b>	<b>2</b>	<b>–</b>

### 7. Taxation

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
Overseas tax	10	38
<b>Total tax charge</b>	<b>10</b>	<b>38</b>

# BlackRock Charities UK Equity Index Fund

## Notes to Financial Statements

### 8. Distributions

	For the year to 30.6.2021 £000's	For the period from 6.12.2019 to 30.6.2020 £000's
First distribution	2,343	313
Second distribution	1,713	2,700
Third distribution	2,348	–
Final distribution	1,778	1,652
	8,182	4,665
Add: Amounts deducted on cancellation of units	353	30
Less: Amounts received on issue of units	(139)	(84)
<b>Distributions</b>	<b>8,396</b>	<b>4,611</b>

The distributable amount has been calculated as follows:

Net revenue after taxation	8,396	4,593
Add: Other expenses reimbursed by capital	–	18
<b>Distributions</b>	<b>8,396</b>	<b>4,611</b>

### 9. Debtors

	30.6.2021 £000's	30.6.2020 £000's
Accrued Manager's charge rebates	1	–
Accrued revenue	655	579
Amounts receivable for issue of units	–	630
Overseas tax recoverable	62	35
<b>Total debtors</b>	<b>718</b>	<b>1,244</b>

### 10. Cash and Bank Balances

	30.6.2021 £000's	30.6.2020 £000's
Amount held at futures clearing houses and brokers	4	137
Cash and bank balances	2,208	1,148
<b>Total cash and bank balances</b>	<b>2,212</b>	<b>1,285</b>

# BlackRock Charities UK Equity Index Fund

## Notes to Financial Statements

### 11. Other Creditors

	30.6.2021 £000's	30.6.2020 £000's
Accrued Audit fee	4	3
Accrued Legal and other professional fees	17	17
Accrued Manager's charge	39	27
Accrued Safe custody fees	2	3
Accrued Trustee's fee	9	6
Amounts payable for cancellation of units	2,088	–
Custodian transaction costs	6	8
Purchases awaiting settlement	–	40
<b>Total other creditors</b>	<b>2,165</b>	<b>104</b>

### 12. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (30 June 2020: £Nil).

### 13. Credit Facility

The Fund entered into a credit facility with JPMorgan whereby JPMorgan, together with other syndicated lenders, made a USD 475 million credit facility available to the Fund. The USD 475 million credit facility will be allocated to the Fund based on the credit facility agreement dated 23 April 2021. This credit facility may be utilised by the Fund for temporary funding purposes, including, without limitation, the funding of investor redemptions. Any interest and commitment fees in relation to drawdowns from such credit facility are paid out of the assets of the Fund.

### 14. 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 30 June 2021:

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. During the year PNC Financial Services Group, Inc. ("PNC"), was a substantial shareholder in BlackRock, Inc. PNC did not provide any services to the Fund during the year/period ended 30 June 2021 and 30 June 2020. As at 30 June 2021, PNC is no longer an affiliate of the Entity.

# BlackRock Charities UK Equity Index Fund

## Notes to Financial Statements

### 14. Related Parties

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. Any amounts due to or from the Manager at the year end are disclosed in notes 9 and 11. Management fees paid to the Manager are shown in note 5. The balances due at the year end in respect of these fees are shown in note 11.

The Fund may invest in other Collective Investment Schemes ("CIS"), which may or may not be operated and/or managed by an affiliate of the Manager. As an investor in such other CIS, in addition to the fees, costs and expenses payable by a unitholder in the Fund, each unitholder may also indirectly bear a portion of the fees, costs and expenses of the underlying CIS, including management, investment management and administration and other expenses. However, in respect of investments made in any other investment fund whose manager is an affiliate of the Manager, the Fund will invest, where possible, in classes of the underlying funds which are not subject to any management charges. Alternatively, where this is not possible, the Manager will rebate management charges to the Fund. The Fund will not be subject to any preliminary/initial sales fee in respect of investments made in any other investment fund whose manager is an affiliate of the Manager, although it may be subject to duties and charges in respect of subscriptions and redemptions in such investment funds.

As at 30 June 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.

As at 30 June 2020:

<b>Total % of units held by Affiliated Funds</b>	<b>Number of investors holding 51% or more of the voting units in issue who are not Affiliated Funds</b>	<b>Total % of units held by unitholders holding 51% or more of the voting units in issue who are not Affiliated Funds</b>
Nil	1	55%

All related party transactions were carried out at arm's length in the ordinary course of business. The terms and returns received by the related parties in making the investments above were no more favourable than those received by other investors investing into the same unit class.

# BlackRock Charities UK Equity Index Fund

## Notes to Financial Statements

### 15. Portfolio Transaction Costs

For the year ended 30 June 2021

Purchases (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	22,797	5	0.02	12	0.05
Collective investment schemes	998	–	–	1	0.10
<b>Total purchases</b>	<b>23,795</b>	<b>5</b>		<b>13</b>	
<b>Total purchases including transaction costs</b>	<b>23,813</b>				

Sales (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	92,654	18	0.02	1	0.00
Collective investment schemes	6,489	2	0.03	–	–
<b>Total sales</b>	<b>99,143</b>	<b>20</b>		<b>1</b>	
<b>Total sales net of transaction costs</b>	<b>99,122</b>				
<b>Derivative transaction costs</b>		<b>1</b>		<b>–</b>	
<b>Total transaction costs</b>		<b>26</b>		<b>14</b>	
<b>Total transaction costs as a % of average net assets</b>		<b>0.01%</b>		<b>0.01%</b>	

# BlackRock Charities UK Equity Index Fund

## Notes to Financial Statements

### 15. Portfolio Transaction Costs

For the period from 6 December 2019 to 30 June 2020

Purchases (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	21,611	4	0.02	10	0.05
Collective investment schemes	1,291	–	–	1	0.08
<b>Total purchases</b>	<b>22,902</b>	<b>4</b>		<b>11</b>	
<b>Total purchases including transaction costs</b>	<b>22,917</b>				

  

Sales (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	16,974	3	0.02	–	–
Collective investment schemes	878	–	–	–	–
<b>Total sales</b>	<b>17,852</b>	<b>3</b>		<b>–</b>	
<b>Total sales net of transaction costs</b>	<b>17,849</b>				
<b>Derivative transaction costs</b>		<b>1</b>		<b>–</b>	
<b>Total transaction costs</b>		<b>8</b>		<b>11</b>	
<b>Total transaction costs as a % of average net assets</b>		<b>0.00%</b>		<b>0.00%</b>	

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.

For the Fund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs incurred in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

During the year the Fund utilised FDIs including futures covering different underlying asset classes. The settlement values for opening and closing derivative positions are not comparable to principal values for transactions in direct holding investments and therefore purchase and sale amounts for derivative transactions are not quantified in the analysis above.

# BlackRock Charities UK Equity Index Fund

## Notes to Financial Statements

### 15. Portfolio Transaction Costs

Transaction costs for derivatives positions will be either incurred as direct costs or form part of the dealing spread for the instruments. Any direct costs are identified in the analysis above. Dealing spread costs incurred by the Fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment

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 0.10% (30 June 2020: 0.12%).

### 16. Units in Issue

The movement in units in issue for the year ended 30 June 2021 is as follows:

	A Income Units	A Accumulation Units	X Income Units	X Accumulation Units
Balance at the beginning of the year	11,965,608	392,905	102,753,739	20,321,110
Issued during the year	1,061,988	75,238	19,521,023	3,135,327
Cancelled during the year	(5,138,376)	(22,149)	(16,394,570)	(23,456,437)
Converted during the year	412,269	–	(5,105,572)	–
<b>Balance at the end of the year</b>	<b>8,301,489</b>	<b>445,994</b>	<b>100,774,620</b>	<b>–</b>

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.

### 17. Subsequent 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 30 June 2021.

## Statement of Manager's and Trustee's Responsibilities

The Manager is required by the terms of the Trust Deed 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 Trust at the year end and of the net revenue and net gains/(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 Trust 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 Financial Conduct Authority's ("FCA") Collective Investment Schemes Sourcebook ("the Sourcebook"), the SORP and the Trust Deed.

The Trustee acts as the depositary of the Funds and, in doing so, shall comply with the terms of the Scheme and the provisions of the AIFMD (which means, collectively, Directive 2011/61/EU, as implemented by Commission Delegated Regulation (EU) No. 231/2013, and as transposed by UK SI 2013/1773 and any other applicable national implementing measures in the UK including, without limitation, the rules contained in the FCA handbook of rules and guidance, each as may be amended or updated from time to time).

The Trustee is responsible for the safekeeping of all the property of the Scheme (other than tangible moveable property) which is entrusted to it and for the collection of revenue that arises from that property.

It is the duty of the Trustee to take reasonable care to ensure that the Scheme is managed in accordance with the Sourcebook, the FCA Investment Funds Sourcebook ("FUND"), the Trust's Trust Deed and Prospectus, in relation to the pricing of, and dealings in, units in the Trust; the application of revenue of the Scheme; and the investment and borrowing powers of the Trust.



## Statement of Manager's and Trustee's Responsibilities

The Manager is responsible for keeping such accounting records as are necessary to enable it to prepare the financial statements for the Funds for each financial year. These financial statements must be prepared in accordance with generally accepted accounting principles to give a true and fair view of the state of affairs of the Funds at the year end and of the revenue for the year. The financial statements must comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 ("the Regulations"), the Scheme and, where relevant, should comply with the disclosure requirements of the current Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association (subsequently The Investment Association).

The Manager's duties and powers also include: instructing the Trustee on the cancellation of units; carrying out regular valuations of each Fund's property and ensuring that units issued by each Fund are correctly priced; maintaining daily records of units purchased by the Manager or sold on behalf of the Trustee; and appointing the auditor of each Fund. The Manager is responsible for managing the investments of the Funds. The Manager has delegated certain functions with respect to the portfolio management of the assets of each Fund, the performance of certain risk management functions and the distribution of units to the Investment Manager, BlackRock Investment Management (UK) Limited. In addition, the Manager is required to make available all of the Manager's records relating to the Funds for inspection by the Trustee.

Under the Scheme, the Trustee is responsible amongst other things for the custody and control of the property of the Funds, the collection of all income due to the Funds, and the claiming of any repayment of tax which may be due. The Trustee may create and cancel units in accordance with the instructions of the Manager (except where not permitted to by the Scheme Particulars). The Trustee will make distributions and allocations of income to unitholders as applicable.

The Trustee acts as the depositary of the Funds and, in doing so, shall comply with the terms of the Scheme and the provisions of the AIFMD (which means, collectively, Directive 2011/61/EU, as implemented by Commission Delegated Regulation (EU) No. 231/2013, and as transposed by UK SI 2013/1773 and any other applicable national implementing measures in the UK including, without limitation, the rules contained in the FCA handbook of rules and guidance, each as may be amended or updated from time to time).

The Trustee has delegated certain safekeeping functions to The Bank of New York Mellon (International) Limited.

The Trustee also has the duty of supervision and oversight of the Manager's compliance with the Scheme and the Scheme Particulars. In particular, the Trustee must be satisfied that the Manager is not exceeding his powers and that the Manager is maintaining adequate and proper records.

The Trustee is required to take all steps and execute all documents which are necessary to secure that purchases and sales of investments of the Funds are properly completed, and is required to exercise voting rights attaching to such investments as properly instructed by the Manager.

# Statement of Manager's and Trustee's Responsibilities

The Trustee is responsible for the appointment of the Registrar and for the supervision and oversight of the Registrar. The Trustee is responsible for supervision and oversight of any delegate which it appoints. The Trustee is responsible for the appointment and dismissal of persons engaged by the Trustee in connection with the Funds, for the making of an Annual Report on the discharge of its responsibilities for the management of the Funds, and is responsible for the authorisation of payments out of the property of the Funds of reasonable costs and expenses of the Advisory Committee. The Trustee is responsible for the winding up of the Funds.

Under the Regulations, the Trustee has a duty to enquire into the conduct of the Manager in the management of the Funds in each accounting period and to report thereon to unitholders. A copy of the Trustee's report is set out below.

The Funds require that annual reports, including audited financial statements, are sent to the Charity Commission and to all participants in the Funds.

We confirm that in the Trustee's opinion, the Manager has managed the Funds in all material respects in accordance with the limitations imposed on the investment and borrowing powers of the Manager and Trustee by the Prospectus, and otherwise in accordance with the provisions of the Prospectus.

The Bank of New York Mellon  
(International) Limited

London  
27 August 2021

## Independent Auditor's Report to the unitholders of BlackRock Charities Funds

### Opinion

We have audited the financial statements of BlackRock Charities Funds (the "Scheme") for the year ended 30 June 2021, which comprise the Statement of Total Return, the Statement of Changes in Net Assets Attributable to Unitholders, the Balance Sheet, the related notes and the Distribution Tables for each of the sub-funds, and the accounting and distribution policies of the Scheme set out on pages 25 to 27, 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 including FRS 102 '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 Scheme comprising each of its sub-funds as at 30 June 2021 and of the net revenue or expense and the net capital gains or losses on the scheme property of the Scheme comprising each of its sub-funds for the year then ended;
- 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 Scheme 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 ("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.

### Conclusions relating to going concern

In auditing the financial statements, 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 Scheme's ability to continue as a going concern for a period of 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 Scheme'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 auditor' report thereon. The Manager is responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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.

### **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 Financial Conduct Authority 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 Financial Conduct Authority 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 pages 191 to 193, 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 Scheme'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 Scheme 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.

## **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 Scheme and determined that the most significant are United Kingdom Generally Accepted Accounting Practice, the Investment Management Association Statement of Recommended practice (the "IMA SORP"), the FCA Collective Investment Schemes Sourcebook, the Charities Act 2011, the Trust Deed and the Prospectus.
- We understood how the Scheme are complying with those frameworks through discussions with the Manager and the Scheme's administrators. We corroborated our enquiries through our review of the Scheme's documented policies and procedures.
- We assessed the susceptibility of the Scheme'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. We identified a fraud risk with respect to the incomplete or inaccurate income recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution. We tested the appropriateness of management's classification of material special dividends as either a capital or revenue return.
- 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 Scheme.
- Due to the regulated nature of the Scheme, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities 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.



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

Tel: +44 131 777 2000  
Fax: +44 131 777 2001  
ey.com

## Use of our report

This report is made solely to the Scheme's unitholders, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the Scheme'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 Scheme and the Scheme'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  
27 August 2021

## Supplementary Information

### Efficient Portfolio Management Techniques

The Manager may, on behalf of certain Funds and subject to the conditions and within the limits laid down by the FCA and the Prospectus, employ techniques and instruments relating to transferable securities, including investments in Over-the-Counter Financial Derivative Instruments (OTC FDIs) provided that such techniques and instruments are used for efficient portfolio management purposes or to provide protection against exchange risk or for direct investment purposes, where applicable.

In addition to the investments in OTC FDIs, the Funds may employ other techniques and instruments relating to transferable securities and money market instruments, subject to the conditions set out in the Trust's Prospectus, as amended from time to time, and the ESMA Guidelines (as adopted by the FCA), such as repurchase / reverse repurchase transactions ("repo transactions") and securities lending.

The sub-funds have not engaged in securities lending during the period ended 30 June 2021 and the BlackRock Armed Forces Charities Growth & Income Fund, BlackRock Catholic Charities Growth & Income Fund and BlackRock Charities Growth & Income Fund are the only sub-funds to hold OTC FDIs in the form of Total Return Swaps as at 30 June 2021.

Fund	TRS (including CFDs)	
	% of NAV	Returns earned £000's
BlackRock Armed Forces Charities Growth & Income Fund	(0.08)	12
BlackRock Catholic Charities Growth & Income Fund	(0.08)	2
BlackRock Charities Growth & Income Fund	0.21	(2)

All returns from OTC FDIs will accrue to the Funds and are not subject to any returns sharing arrangements with the Fund's Manager or any other third parties.

The following table details the underlying exposure value on a gross absolute basis for TRS, analysed by counterparty as at 30 June 2021:

Counterparty	Counterparty's country of establishment	TRS Underlying exposure
<b>BlackRock Armed Forces Charities Growth &amp; Income Fund</b>		<b>£000's</b>
Goldman Sachs International	UK	5,834
Merrill Lynch International	UK	9,005
<b>Total</b>		<b>14,839</b>

Counterparty	Counterparty's country of establishment	TRS Underlying exposure
<b>BlackRock Catholic Charities Growth &amp; Income Fund</b>		<b>£000's</b>
Goldman Sachs International	UK	2,677
Merrill Lynch International	UK	4,164
<b>Total</b>		<b>6,841</b>



## Supplementary Information

Counterparty	Counterparty's country of establishment	Underlying exposure	TRS
<b>BlackRock Charities Growth &amp; Income Fund</b>			<b>£000's</b>
Citigroup Global Markets Limited	UK		1,878
Goldman Sachs International	UK		1,750
Merrill Lynch International	UK		2,149
Morgan Stanley & Co. International Plc	UK		5,630
<b>Total</b>			<b>11,407</b>

Fund	Maturity Tenor				Open transactions	Total
	1 - 30 days	31 - 90 days	91 - 365 days	More than 365 days		
<b>BlackRock Armed Forces Charities Growth &amp; Income Fund</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
TRS	–	–	14,839	–	–	<b>14,839</b>
<b>BlackRock Catholic Charities Growth &amp; Income Fund</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
TRS	–	–	6,841	–	–	<b>6,841</b>
<b>BlackRock Charities Growth &amp; Income Fund</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
TRS	–	–	11,407	–	–	<b>11,407</b>

The above maturity tenor analysis has been based on the respective transaction contractual maturity date.

# About us

BlackRock is a premier provider of asset management, risk management, and advisory services to institutional, intermediary, and individual clients worldwide. As of 30 June 2021, the firm manages £6.8 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 proprietary-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?

[blackrockinternational.com](http://blackrockinternational.com) | +44 (0)20 7743 3300

© 2021 BlackRock, Inc. All Rights reserved. BLACKROCK, BLACKROCK SOLUTIONS, iSHARES, BUILD ON BLACKROCK and SO WHAT DO I DO WITH MY MONEY are trademarks of BlackRock, Inc. or its subsidiaries in the United States and elsewhere. All other trademarks are those of their respective owners.

# BlackRock®

Go paperless. . .   
It's Easy, Economical and Green!  
Go to [www.blackrock.com/edelivery](http://www.blackrock.com/edelivery)