



Annual report and audited financial statements

BlackRock Non-UCITS Retail Funds (2)

- BlackRock Consensus 35 Fund
- BlackRock Consensus 60 Fund
- BlackRock Consensus 70 Fund
- BlackRock Consensus 85 Fund
- BlackRock Consensus 100 Fund
- BlackRock Global Equity Fund
- BlackRock Institutional UK Focus Fund
- BlackRock Overseas Equity Fund

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General Information

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.

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) R A R Hayes (Resigned 13 January 2021) A M Lawrence H N Mepham 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.

Stock Lending Agent

BlackRock Advisors (UK) Limited
12 Throgmorton Avenue, London EC2N 2DL

Authorised and regulated by the FCA

Auditor

Ernst & Young LLP
25 Churchill Place, Canary Wharf, London E14 5EY

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

This Report relates to the packaged products of and is issued by:

BlackRock Fund Managers Limited
12 Throgmorton Avenue, London EC2N 2DL
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blackrock.co.uk

For your protection, telephone calls are usually recorded.

* Non-executive Director.

About the Trust

BlackRock Non-UCITS Retail Funds (2) (the "Trust") is organised as an umbrella unit trust scheme comprising separate funds with segregated liability (each referred to herein as a "Fund" and collectively the "Funds").

The Trust is an authorised unit trust scheme and each Fund qualifies as a non-UCITS retail scheme under the FCA's Collective Investment Schemes Sourcebook (the "COLL Sourcebook").

Cross sub-fund holdings within the Trust

As at 28 February 2021 and 29 February 2020 there were no cross sub-fund holdings within the Trust.

The Alternative Investment Fund Managers Regulations 2013

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.

Fund Managers

As at 28 February 2021, the Fund Manager of the Funds, with the exception of the BlackRock Institutional UK Focus Fund, is Stephen Walker. As at 28 February 2021, the Fund Manager of the BlackRock Institutional UK Focus Fund is Luke Chappell.

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.

Significant Events continued

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 and 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 impact of this significant event on the Funds' financial risk exposure is disclosed in Note 2.

The Manager has assessed the impact of market conditions arising from the COVID-19 outbreak on the Funds' ability 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.

Investment Report

for the year ended 28 February 2021

Investment Objective

BlackRock Consensus 35 Fund
BlackRock Consensus 60 Fund
BlackRock Consensus 70 Fund
BlackRock Consensus 85 Fund
BlackRock Consensus 100 Fund
BlackRock Global Equity Fund
BlackRock Overseas Equity Fund

The aim of the Funds is to provide a return on your investment (generated through an increase in the value of the assets held by the Funds and/or income received from those assets) by investing in units or shares of collective investment schemes (i.e. other investment funds, which may be Associated Funds).

BlackRock Institutional UK Focus Fund

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

Fund name	Target/comparator benchmark	Investment management approach
BlackRock Consensus 35 Fund	The Lipper ABI Mixed Investment 0-35% Shares Pension Sector [#]	Passive
BlackRock Consensus 60 Fund	The Lipper ABI Mixed Investment 20-60% Shares Pension Sector [#]	Passive
BlackRock Consensus 70 Fund	The Lipper ABI Mixed Investment 20-60% Shares Pension Sector (60%) and the Lipper ABI Mixed Investment 40-85% Shares Pension Sector (40%) [#]	Passive
BlackRock Consensus 85 Fund	The Lipper ABI Mixed Investment 40%-85% Shares Pension Sector [#]	Passive
BlackRock Consensus 100 Fund	The Lipper ABI Global Equity Pensions Sector [#]	Passive
BlackRock Global Equity Fund	FTSE All Share Index (50%) and the FTSE World ex-UK Index (50%) [^]	Passive
BlackRock Institutional UK Focus Fund	FTSE All-Share Index [#]	Active
BlackRock Overseas Equity Fund	FTSE World ex-UK Index [^]	Passive

[#] Comparator benchmark

[^] Target benchmark

Performance Summary

The following table compares the Funds' realised performance during the financial year ended 28 February 2021.

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

	Fund return %	Target/comparator benchmark return %
BlackRock Consensus 35 Fund – Class D Accumulation Units	1.94	2.65
BlackRock Consensus 60 Fund – Class D Accumulation Units	4.68	5.00
BlackRock Consensus 70 Fund – Class D Accumulation Units	6.78	6.74
BlackRock Consensus 85 Fund – Class D Accumulation Units	9.68	9.36
BlackRock Consensus 100 Fund – Class D Accumulation Units	19.34	22.67
BlackRock Global Equity Fund – Class D Accumulation Units	13.51	11.55
BlackRock Institutional UK Focus Fund – Class A Accumulation Units	6.52	3.50
BlackRock Overseas Equity Fund – Class I Accumulation Units	23.28	20.01

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 (GBP), posted a return of 19.00% for the twelve months ended 28 February 2021. The reporting period began at the height of uncertainty surrounding the spread of COVID-19, which initially led to steep declines for all classes of equities. Countries around the globe instituted restrictions to slow the progress of the virus, resulting in a sharp economic downturn and a sudden rise in unemployment. Turbulence in energy markets also unsettled equities, as a rapid fall in oil prices threatened the viability of parts of the energy sector.

Beginning in late March 2020, however, equities regained a significant portion of their losses as aggressive policy responses from governments and central banks, the phased reopening of economies around the world and new treatments of 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 programs got underway in early 2021 and global infections began to decline, equities 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 to increase their expectations for future inflation.

Investment Report continued

Prior to the beginning of the reporting period, highly rated bonds rallied, while lower-rated bonds declined sharply, especially corporate and emerging market credits, in response to the COVID-19 outbreak. Many bond prices (which move inversely to yields) fell, particularly for corporate and emerging market bonds, before recovering due to central bank interventions. The US Federal Reserve ("the Fed") implemented an unprecedented corporate bond purchasing facility which provided significant support to the sector. Consequently, the reporting period saw a reversal of the flight from risk as investor appetite for corporate bonds, particularly lower-quality, higher-yield bonds, increased substantially. High-yield corporate bonds subsequently advanced strongly, while investment-grade corporate bonds posted a more modest return.

The demand for less risky assets initially led to solid returns for US Treasuries, and the yield on the 10-year US Treasury, a benchmark lending rate for the bond market, touched an all-time low in August 2020. However, yields increased in early 2021 as investors' inflation expectations rose, leading to negative US Treasury returns for the 12-month period.

Equities in emerging markets posted a strong advance for the reporting period. These equities were initially among the most affected by the COVID-19 pandemic, as lockdowns and factory closures in China negatively impacted on Chinese markets. Many of the emerging Asian economies that have substantial trade with China also suffered significant supply and demand shocks. However, emerging market equities rebounded sharply as infection rates slowed and economies reopened, and China reported economic data indicating a strong recovery. Emerging market bond prices, which fell sharply in March 2020, recovered due to optimism about the pace of economic recovery, outperforming other international bonds for the 12-month period.

In the commodities market, gold prices rose, touching an all-time high in August 2020 as investors sought alternative stores of value amid a large increase in the money supply. Oil prices fell rapidly to a 21 year low in April 2020 amid a combination of weakened demand and increased supply following a dispute between Russia and Saudi Arabia (two of the world's leading oil producers). However, prices climbed again as economic conditions improved, ending the reporting period with a gain.

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. The euro, sterling, the Swiss franc, and the Japanese yen all advanced against the US dollar.

The disruption caused by the pandemic led to a significant worldwide economic contraction early in the reporting period. The US economy shrank by an annualised record 31.4% in the second quarter of 2020, and the economies of the Eurozone and Japan fell into recession. Signs of recovery appeared later in the reporting period, however, as the Chinese economy returned to growth in the second quarter of 2020. The US and Japan followed with significant rebound growth in the third quarter followed by slower gains in the fourth quarter. The Eurozone economy grew in the third quarter before contracting again in the fourth quarter amid renewed lockdowns in some areas.

After the COVID-19 outbreak, the Fed instituted two emergency rate cuts, and along with other influential central banks implemented major bond-buying programs to stabilise debt markets. The US, along with many other countries, provided fiscal stimulus to offset the economic effects of the pandemic. The synchronised economic stimulus ultimately jumpstarted economic growth and supported risk taking in global markets. The Fed further committed to a near-zero interest rate policy through 2022 in a bid to promote longer-term economic expansion, even if inflation temporarily rises above its 2% target rate.

Fund Performance Review and Activity

BlackRock Consensus 35 Fund

BlackRock Consensus 60 Fund

BlackRock Consensus 70 Fund

BlackRock Consensus 85 Fund

BlackRock Consensus 100 Fund

Over the financial year to 28 February 2021 the Funds' returns were 1.94%, 4.68%, 6.78%, 9.68% and 19.34% for the 5 Funds respectively.

Each Fund uses the Lipper ABI pensions sector averages for general asset allocation. Given that each Fund is effectively a passively managed strategy, there were no decisions actively taken to deviate from the given asset allocation.

The performance was positive for all of the Funds in the Consensus range during the reporting period under review, however, whilst the period closed strongly, the developments in the COVID-19 pandemic are continuing to play a vital role in market dynamics. The pandemic and containment measures brought activity to a virtual standstill during the first half of 2020, delivering a historic shock to the economy. Global economies began to restart, but the pace of the recovery depended on how successful countries were in suppressing the virus.

In Europe, policy played center stage, with the European Central Bank ("ECB") increasing the size of its Pandemic Emergency Purchase Program and extending it into 2021. The market reacted positively to this news and combined with a reduction in the pace of manufacturing output and service activity decline, European equities ended the quarter positively. The UK also saw an expansion in monetary easing, and a unanimous decision to maintain the Bank Rate at 0.1% contributed to the solid performance of UK equities over the first half of 2020 (in Sterling). On the macroeconomic front, the composite UK Purchasing Managers Index ("PMI") came in at 47.6 at the end of the second quarter of 2020, up from 30.0 in May 2020 as manufacturing production rebounded and service activity contracted at a softer pace following the reopening of the economy.

In the US, equities delivered strong returns (in Sterling and US Dollar terms) on the back of coordinated policy support, a reopening economy and medical developments related to COVID-19, factors which outweighed concerns over a spike in cases across the country and a continuance in the geopolitical tensions with China. The US markets reacted positively to the election results following a poor start to the fourth quarter of 2020. The victory of Joe Biden came as an indicator of more stable internal and external policies. The fear of rising COVID-19 cases in the US was offset by positive vaccine news and an announcement of a US\$900 billion stimulus in late December supported the market's positive performance.

Investment Report continued

This positive sentiment was mirrored in Europe, where the European Union leaders' approval of the €1.8 trillion financial support package, the relief fund of €750 billion, and the announcement of the Brexit trade deal all enhanced the performance of the European markets. UK markets rebounded over the fourth quarter and reduced the underperformance accumulated earlier in 2020 versus other markets in Europe. Elsewhere in emerging markets, the rally in commodity prices and the vaccine news lifted the hopes for a global economic recovery in 2021, which in turn boosted the performance of emerging markets exporters. The weakened US Dollar also boosted overall emerging markets performance. China finished the quarter with a positive return but lagged other emerging market countries. The anti-trust investigation against a major online commerce company and the escalation of the US-China tension weighed on Chinese market performance. As with the third quarter of 2020, strong performance in equity markets was attenuated by generally weak or negative returns in the fixed income allocations. The strongest detractor came from overseas government bonds, with a small bright spot coming from UK corporate bonds.

BlackRock Global Equity Fund

Over the financial year to 28 February 2021, the Fund's return was 13.51%, outperforming its target benchmark, which returned 11.55%.

The tracking difference is a result of the difference in valuation point of the Fund and the pricing point of the target benchmark. The Fund aims to track the average asset allocation of a 50% weighting in the FTSE All-Share Index and a 50% weighting in the FTSE World ex-UK Index.

BlackRock Institutional UK Focus Fund

Over the financial year to 28 February 2021, the Fund's active return was 3.02%, outperforming its comparator benchmark (active return is the difference between the Fund's return and the comparator benchmark return).

2020 was dominated by a single issue, the global COVID-19 pandemic which swept through economies and stock markets causing equities to tumble, the magnitude and rapidity of which matched the declines seen in 2008. Virus case numbers rose and fell in waves as mobility restrictions were implemented globally to mitigate spread. Hopes were raised by the approval of several virus vaccines leading to one of the sharpest rotations away from growth shares and into value shares on record. December finally delivered positive progress on Brexit, with an agreement on trade terms for goods, offset by an alarming increase in the incidence of the virus as a new variant proved particularly contagious.

Fund performance is attributable to our overweight positioning to companies that delivered strong earnings (including Rio Tinto and Ferguson) and companies with defensive business models (including London Stock Exchange and AstraZeneca). Performance was also helped by our long-standing underweight positioning in banks and oil and gas.

Investment Report continued

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 [#]	2.69%	easyJet [#]	-1.00%
Next [#]	1.90%	Smith & Nephew [#]	-0.90%
Ferguson [#]	1.50%	BHP [^]	-0.87%
London Stock Exchange [#]	1.20%	Compass [#]	-0.84%
HSBC [^]	1.06%	Melrose [#]	-0.83%

[#] Overweight position - holds more exposure than the benchmark.

[^] Underweight position - holds less exposure than the benchmark.

Strong iron ore prices boded well for miner, Rio Tinto; the company was the top positive contributor during the period. Shares in Next performed strongly as retailers with a strong online presence were boosted with the switch in spending off the High Street and towards the internet. Travel and leisure company, easyJet was a top detractor during the period as global lockdowns inhibited travel. Smith & Nephew also suffered as elective surgeries were not prioritised due to the pandemic.

The following table details the significant active positions, where the Fund is overweight (holds more exposure than the benchmark) and underweight (holds less exposure than the benchmark), at 28 February 2021 and 29 February 2020:

Top overweight positions			
28 February 2021		29 February 2020	
Sector	Active Weighting	Sector	Active Weighting
Next	8.70%	RELX	8.04%
Ferguson	7.10%	Ferguson	7.83%
RELX	6.54%	Next	7.73%

Top underweight positions			
28 February 2021		29 February 2020	
Sector	Active Weighting	Sector	Active Weighting
Royal Dutch Shell	-5.06%	HSBC	-5.11%
Unilever	-4.34%	BP	-3.80%
HSBC	-3.97%	GlaxoSmithKline	-3.69%

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

BlackRock Overseas Equity Fund

Over the financial year to 28 February 2021, the Fund's return was 23.28%, outperforming its target benchmark, which returned 20.01%.

The tracking difference is a result of the difference in valuation point of the Fund and the pricing point of the target benchmark. The Fund aims to track the average asset allocation of the FTSE World ex-UK Index.

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).

(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 continued

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 continued

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 Margin¹ and Organic Revenue Growth². 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.

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

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

Report on Remuneration continued

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 continued

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 28 February 2021

Accounting Policies

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

The financial statements have been prepared on a going concern basis in accordance with UK GAAP and the SORP. The 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.

- (b) 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 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.

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.

- (c) 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.
- (d) 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.
- (e) 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.
- (f) All expenses, except those relating to the purchase and sale of investments are charged against revenue. All expenses are recognised on an accruals basis.
- (g) Provision for corporation tax is made at the current rate on the excess of taxable revenue over allowable expenses. Provision is made on all material timing differences arising from the different treatment of items for accounting and tax purposes. A deferred tax asset is recognised only to the extent that it is considered more likely than not that there will be taxable profits in the future against which the asset can be offset.
- (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

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

1. Accounting and Distribution Policies continued

period. In the case of an investment which is not quoted, listed or dealt in on a recognised market, or in respect of which a listed, traded or dealt price or quotation is not available at the time of valuation, the fair value of such investment shall be estimated with care and in good faith by a competent professional person, body, firm or corporation including the Manager's pricing committee and such fair value shall be determined on the basis of the probable realisation value of the investment. The Manager shall be entitled to adopt an alternative method of valuing any particular asset if it considers that the methods of valuation set out above do not provide a fair valuation of a particular asset or liability.

Investments in dual priced Collective Investment Schemes have been valued at 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.

Distribution Policies

- (l) The ordinary element of stock dividends received by the BlackRock Institutional UK Focus Fund is treated as revenue but does not form part of the distribution.
- (m) Special dividends and share buy backs recognised as revenue form part of the distribution.
- (n) The units in each of the Funds are accumulation units, with the exception of the BlackRock Institutional UK Focus Fund which also has income units. All of the net revenue available for distribution held in respect to accumulation units at the final accounting period end will be accumulated by the Funds with a transfer from revenue to capital, with the exception of the BlackRock Institutional UK Focus Fund which will also make a distribution to unitholders in respect to income units held. In order to conduct a controlled dividend flow to unitholders, interim distributions may be made at the Manager's discretion, up to a maximum of the distributable revenue available for the period (with exception of the BlackRock Institutional UK Focus Fund which only distributes at Final). Should expenses and taxation together exceed revenue, there will be no distribution and the shortfall will be met from capital.
- (o) The BlackRock Consensus 35 Fund has satisfied the qualifying investment test as specified in S468L ICTA 1988 at all times throughout the distribution period. As such, any revenue available for distribution will be paid as an interest distribution. All other Funds will pay a dividend distribution.

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 underlying investments in equities, corporate bonds and government bonds.

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

The VaR calculations are based on an adjusted historical simulation model with a confidence level of 99%, a holding period of one day and a historical observation period of not less than one year (250 days). A VaR number is defined at a specified probability and a specified time horizon. A 99% one day VaR means that the expectation is that 99% of the time over a one day period 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 continued

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 28 February 2021 and 29 February 2020 based on a 99% confidence level is outlined in the table below:

Fund	28 February 2021 %	29 February 2020 %
BlackRock Consensus 35 Fund	0.84	0.68
BlackRock Consensus 60 Fund	1.52	1.18
BlackRock Consensus 70 Fund	1.74	1.42
BlackRock Consensus 85 Fund	2.11	2.07
BlackRock Consensus 100 Fund	2.97	3.29
BlackRock Global Equity Fund	3.28	3.56
BlackRock Institutional UK Focus Fund	4.33	3.63
BlackRock Overseas Equity Fund	3.23	3.31

i) Market risk arising from foreign currency risk

Exposure to foreign currency risk

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

The net assets of the Funds are denominated mainly in Sterling, however, the underlying CIS hold financial assets and financial liabilities denominated in other international currencies. As such, the Funds have indirect exposure to foreign currency risk through their underlying investments in CIS, whereby the value of the underlying CIS may fluctuate as a result of changes to foreign currency rates.

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.

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 and market prices of their investments.

2. Financial Instruments and Risks continued

An outbreak of an infectious respiratory illness caused by a novel coronavirus known as COVID-19 has now developed into a global pandemic and 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 market 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 Statements of each Fund.

Management of other price risk

By diversifying the portfolio, 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 portfolio 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.

To manage other price risk, the Investment Manager performs extensive initial and ongoing due diligence on the underlying funds. The underlying funds are required to provide the Investment Manager with reports on a daily, monthly or quarterly basis, monitoring the internal controls and operational infrastructure of the managers of these funds.

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 and cash equivalent holdings. 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.

The Funds also have indirect exposure to interest rate risk through their investments into CIS, whereby the value of the underlying asset may fluctuate as a result of a change in interest rates and through their investments in futures contracts, whereby the value of an underlying asset may fluctuate as a result of a change in interest rates through their investments in interest-bearing securities.

2. Financial Instruments and Risks continued

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

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

All OTC FDIs are entered into by the Funds under an International Swaps and Derivatives Association, 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 and CFDs) 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 and CFDs. All collateral received/posted by the Funds under the ISDA Master Agreement is transferred bilaterally under a title transfer arrangement.

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.

2. Financial Instruments and Risks continued

Management of counterparty credit risk related to OTC FDIs

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 lowest credit rating of any one counterparty as at 28 February 2021 is BBB+ (29 February 2020: A-) (Standard & Poor's rating).

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

28 February 2021

Counterparty	Forwards	Total Exposure
BlackRock Consensus 35 Fund	£000's	£000's
Bank of America Merrill Lynch	831	831
Goldman Sachs International	1,249	1,249
J.P Morgan Securities Plc	12	12
Société Générale SA	20	20

Counterparty	Forwards	Total Exposure
BlackRock Consensus 60 Fund	£000's	£000's
Bank of America Merrill Lynch	545	545
Goldman Sachs International	818	818

Counterparty	Forwards	Total Exposure
BlackRock Consensus 70 Fund	£000's	£000's
Barclays Bank Plc	12	12
Goldman Sachs International	815	815

Counterparty	Forwards	Total Exposure
BlackRock Consensus 85 Fund	£000's	£000's
Goldman Sachs International	6,520	6,520

29 February 2020

Counterparty	Forwards	Total Exposure
BlackRock Consensus 35 Fund	£000's	£000's
Bank of America Merrill Lynch	(1,665)	(1,665)
Deutsche Bank AG	(28)	(28)
Goldman Sachs International	(1,362)	(1,362)
Toronto-Dominion Bank	(1)	(1)

2. Financial Instruments and Risks continued

Counterparty	Forwards	Total Exposure
BlackRock Consensus 60 Fund	£000's	£000's
Bank of America Merrill Lynch	(1,141)	(1,141)
Goldman Sachs International	(932)	(932)
Standard Chartered Bank	(21)	(21)

Counterparty	Forwards	Total Exposure
BlackRock Consensus 70 Fund	£000's	£000's
BNP Paribas Arbitrage SNC	(15)	(15)
Goldman Sachs International	(1,192)	(1,192)

Counterparty	Forwards	Total Exposure
BlackRock Consensus 85 Fund	£000's	£000's
Goldman Sachs International	(9,838)	(9,838)

ii) Trustee and Custodian

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

The Trustee is liable to the Funds for the loss of financial instruments of the Funds which are held in custody as part of the Trustee's safekeeping function. The liability of the Trustee will not be affected by the fact that it has entrusted the safekeeping function to the Custodian save where this liability is lawfully discharged to a delegate (any such discharge will be notified to unitholders) or where the loss of financial instruments arises as a result of an external event beyond reasonable control as provided for under AIFMD. The Trustee will not be indemnified out of the assets of the Funds for the loss of financial instruments where it is so liable. Substantially all of the investments of the Funds are held by the Custodian at the 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.

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.

2. Financial Instruments and Risks continued

The long term credit rating of the parent company of the Trustee and Custodian, The Bank of New York Mellon Corporation, as at 28 February 2021 was AA- (29 February 2020: AA-) (Standard & Poor's rating).

iii) Debt securities

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

The bonds held by the Funds' underlying CIS are issued by companies and government agencies in order to achieve the investment objectives for each of the Funds' underlying CIS.

The borrower receives from the Funds' underlying CIS a principal amount. The Funds' underlying CIS will then receive interest based on the coupon rate of the bond and repayment of the initial principal amount on the bond's maturity date.

Any impairment to the borrower's ability to pay amounts due may result in changes to the tradable value of the bond and the amount to be received upon maturity of the bond.

Management of counterparty credit risk related to debt securities

The ability of the borrower to repay not only the principal value but also any interest due on the bond, referred to as the borrower's credit rating, is monitored by the Investment Manager of the Funds' underlying CIS.

The Investment Manager of the Funds' underlying CIS may undertake its own research of the borrower's financial position in order to assess the ability of the borrower to pay amounts due.

The ratings of the underlying funds' debt securities are continually monitored by the BlackRock Portfolio Management Group.

iv) Securities Lending

The BlackRock Institutional UK Focus Fund engages in securities lending activities which expose the Fund to counterparty credit risk. The maximum exposure to the Fund is equal to the value of the securities loaned.

Securities lending transactions entered into by the Fund are subject to a written legal agreement between the Fund and the Stock Lending Agent, BlackRock Advisors (UK) Limited, a related party to the Trust, and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of the Trustee on behalf of the BlackRock Institutional UK Focus Fund. Collateral received is segregated from the assets belonging to the Fund's Trustee or the Stock Lending Agent.

2. Financial Instruments and Risks continued

The following table details the value of securities on loan (individually identified in the Fund's Portfolio Statement) and associated collateral received, analysed by borrowing counterparty as at the balance sheet date.

Counterparty	Counterparty's country of establishment	28 February 2021		29 February 2020	
		Securities on loan	Collateral received	Securities on loan	Collateral received
BlackRock Institutional UK Focus Fund		£000's	£000's	£000's	£000's
Barclays Capital Securities Limited	UK	–	–	829	855
Citigroup Global Markets Limited	UK	153	171	562	606
The Bank of Nova Scotia	Canada	–	–	170	187
Total		153	171	1,561	1,648

At 28 February 2021, collateral received from these borrowing counterparties comprised of 29.82% in debt securities and 70.18% in equity securities (29 February 2020: 58.13% in debt securities and 41.87% in equity securities).

Collateral accepted is non-cash in the form of sovereign debt rated AA or better from approved governments only, supranational debt obligations rated AAA or better, equity securities and exchange traded funds listed on a recognised exchange

Management of counterparty credit risk related to securities lending

To mitigate this risk, the Fund receives either cash or securities as collateral equal to a certain percentage in excess of the fair value of the securities loaned. The Investment Manager monitors the fair value of the securities loaned and additional collateral is obtained, if necessary. As at 28 February 2021, all non-cash collateral received consists of securities admitted to or dealt on a recognised exchange.

The Fund also benefits from a borrower default indemnity provided by BlackRock Inc. The indemnity allows for full replacement of securities lent. BlackRock Inc. bears the cost of indemnification against borrower default.

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 the Funds' 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.

All non-derivative financial liabilities including distributions payable held by the Funds as at 28 February 2021 and 29 February 2020, based on contractual maturities, fall due within one to three months, with the exception of corporation tax payable which falls due within nine to twelve months.

2. Financial Instruments and Risks continued

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.

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.

2. Financial Instruments and Risks continued

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.

BlackRock Consensus 35 Fund	Level 1 £000's	Level 2 £000's	Level 3 £000's	Total £000's
28 February 2021				
Investment assets	–	273,896	–	273,896
29 February 2020				
Investment assets	–	238,524	–	238,524
Investment liabilities	–	(3,056)	–	(3,056)
BlackRock Consensus 60 Fund	Level 1 £000's	Level 2 £000's	Level 3 £000's	Total £000's
28 February 2021				
Investment assets	–	266,728	–	266,728
29 February 2020				
Investment assets	–	246,012	–	246,012
Investment liabilities	–	(2,094)	–	(2,094)
BlackRock Consensus 70 Fund	Level 1 £000's	Level 2 £000's	Level 3 £000's	Total £000's
28 February 2021				
Investment assets	–	201,790	–	201,790
29 February 2020				
Investment assets	–	173,258	–	173,258
Investment liabilities	–	(1,207)	–	(1,207)

2. Financial Instruments and Risks continued

BlackRock Consensus 85 Fund	Level 1 £000's	Level 2 £000's	Level 3 £000's	Total £000's
28 February 2021				
Investment assets	–	2,662,248	–	2,662,248
29 February 2020				
Investment assets	–	2,184,874	–	2,184,874
Investment liabilities	–	(9,838)	–	(9,838)
BlackRock Consensus 100 Fund	Level 1 £000's	Level 2 £000's	Level 3 £000's	Total £000's
28 February 2021				
Investment assets	–	131,047	–	131,047
29 February 2020				
Investment assets	–	95,615	–	95,615
Investment liabilities	–	–	–	–
BlackRock Global Equity Fund	Level 1 £000's	Level 2 £000's	Level 3 £000's	Total £000's
28 February 2021				
Investment assets	–	476,505	–	476,505
29 February 2020				
Investment assets	–	456,044	–	456,044
Investment liabilities	–	–	–	–
BlackRock Institutional UK Focus Fund	Level 1 £000's	Level 2 £000's	Level 3 £000's	Total £000's
28 February 2021				
Investment assets	32,440	514	–	32,954
29 February 2020				
Investment assets	34,249	1,676	–	35,925
Investment liabilities	–	–	–	–
BlackRock Overseas Equity Fund	Level 1 £000's	Level 2 £000's	Level 3 £000's	Total £000's
28 February 2021				
Investment assets	–	2,233,522	–	2,233,522
29 February 2020				
Investment assets	–	2,044,608	–	2,044,608
Investment liabilities	–	–	–	–

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").

2. Financial Instruments and Risks continued

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.

Fund	Gross exposure			Commitment Approach		
	Maximum limit	Leverage as at 28.2.2021	Leverage as at 29.2.2020	Maximum limit	Leverage as at 28.2.2021	Leverage as at 29.2.2020
BlackRock Consensus 35 Fund	4.1:1	2.2:1	2.4:1	2.1:1	1.4:1	1.4:1
BlackRock Consensus 60 Fund	3.5:1	1.8:1	1.9:1	1.9:1	1.2:1	1.3:1
BlackRock Consensus 70 Fund	3.3:1	1.6:1	1.7:1	1.8:1	1.2:1	1.2:1
BlackRock Consensus 85 Fund	2.9:1	1.4:1	1.5:1	1.7:1	1.1:1	1.2:1
BlackRock Consensus 100 Fund	1.1:1	1.0:1	1.0:1	1.1:1	1.0:1	1.0:1
BlackRock Global Equity Fund	1.1:1	1.0:1	1.0:1	1.1:1	1.0:1	1.0:1
BlackRock Institutional UK Focus Fund	2.0:1	1.0:1	1.0:1	1.3:1	1.0:1	1.0:1
BlackRock Overseas Equity 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 Consensus 35 Fund

About the Fund

The Fund is a sub-fund of BlackRock Non-UCITS Retail Funds (2), a non-UCITS retail scheme under the COLL Sourcebook. The Fund was established on 13 July 2012 and was authorised by the FCA on 25 May 2012. The Fund's FCA product reference number is 643960.

BlackRock Consensus 35 Fund

Performance Record

Comparative Table

	A Accumulation Units			D Accumulation Units		
	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	145.6	135.1	131.7	149.5	138.2	134.2
Return before operating charges	2.83	11.39	4.19	2.94	11.67	4.26
Operating charges	(0.91)	(0.90)	(0.84)	(0.33)	(0.34)	(0.31)
Return after operating charges	1.92	10.49	3.35	2.61	11.33	3.95
Distributions	(1.76)	(2.11)	(1.82)	(2.42)	(2.75)	(2.40)
Retained distributions on accumulation units	1.76	2.11	1.82	2.42	2.75	2.40
Closing net asset value per unit						
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges ¹	1.32%	7.76%	2.54%	1.75%	8.20%	2.94%
Other information						
Closing net asset value (£000's)	33,134	28,424	16,006	240,738	207,072	135,839
Closing number of units	22,461,085	19,522,736	11,851,647	158,265,078	138,481,763	98,331,179
Operating charges ²	0.62%	0.63%	0.63%	0.22%	0.23%	0.23%
Direct transaction costs ³	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest offer unit price	160.5	156.1	143.5	157.5	152.7	139.8
Lowest bid unit price	130.5	135.3	129.6	134.1	138.4	132.1

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

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

³ Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of collective investment schemes. See note 13 for further details.

BlackRock Consensus 35 Fund

Distribution Tables

for the year ended 28 February 2021

Final Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 September 2020

Group 2 – Units purchased 1 September 2020 to 28 February 2021

	A Accumulation Units		D Accumulation Units	
	Group 1	Group 2	Group 1	Group 2
Gross revenue	0.9557	0.0000	1.2888	0.0054
Equalisation [†]	–	0.9557	–	1.2834
Distribution paid 30.4.2021	0.9557	0.9557	1.2888	1.2888
Distribution paid 30.4.2020	1.2120	1.2120	1.5400	1.5400

Interim Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 March 2020

Group 2 – Units purchased 1 March 2020 to 31 August 2020

	A Accumulation Units		D Accumulation Units	
	Group 1	Group 2	Group 1	Group 2
Gross revenue	0.8092	0.0000	1.1289	0.0000
Equalisation [†]	–	0.8092	–	1.1289
Distribution paid 31.10.2020	0.8092	0.8092	1.1289	1.1289
Distribution paid 31.10.2019	0.8984	0.8984	1.2074	1.2074

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

BlackRock Consensus 35 Fund

Portfolio Statement

at 28 February 2021

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
COLLECTIVE INVESTMENT SCHEMES – 99.24%; 29.2.2020 101.29%			
Equity Funds – 23.62%; 29.2.2020 20.80%			
3,538,692	iShares Continental European Equity Index Fund UK	10,068	3.68
120,622	iShares Emerging Markets Equity Index Fund UK	239	0.09
1,585,661	iShares Global Property Equity Index Fund UK	3,319	1.21
1,148,328	iShares Japan Equity Index Fund UK	2,940	1.08
3,583,308	iShares North American Equity Index Fund UK	17,454	6.37
340,615	iShares Pacific ex Japan Equity Index Fund UK	1,424	0.52
13,065,843	iShares UK Equity Index Fund UK	29,228	10.67
		64,672	23.62

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
Fixed Income Funds – 67.00%; 29.2.2020 74.38%			
68,035	BlackRock Global Index Funds - iShare Emerging Markets Government Bond Index LU	6,990	2.55
15,194,139	iShares Corporate Bond Index Fund UK	26,256	9.59
4,901,747	iShares Index Linked Gilt Index Fund UK	8,465	3.09
36,549,716	iShares Overseas Corporate Bond Index Fund UK	59,320	21.66
32,383,244	iShares Overseas Government Bond Index Fund UK	43,264	15.80
21,720,093	iShares UK Gilts All Stocks Index Fund UK	39,205	14.31
		183,500	67.00
Short-term Money Market Funds – 8.62%; 29.2.2020 6.11%			
22,924,126	BlackRock Cash Fund	23,612	8.62

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
DERIVATIVES – 0.77%; 29.2.2020 (1.30%)			
Forward Currency Contracts – 0.77%; 29.2.2020 (1.30%)			
£3,768,079	UK sterling vs Canadian dollar	17	0.00
£57,097,743	UK sterling vs Euro	533	0.20
£18,901,686	UK sterling vs Japanese yen	336	0.12
£137,853,842	UK sterling vs US dollar	1,226	0.45
		2,112	0.77
Portfolio of investments		273,896	100.01
Net other liabilities		(24)	(0.01)
Total net assets		273,872	100.00

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, Goldman Sachs International, J.P. Morgan Securities Plc and Société Générale SA.

All underlying funds are managed by a related party.

BlackRock Consensus 35 Fund

Statement of Total Return

for the year ended 28 February 2021

	Notes	£000's	For the year to 28.2.2021 £000's	£000's	For the year to 29.2.2020 £000's
Income					
Net capital (losses)/gains	3		(82)		9,933
Revenue	4	4,339		3,830	
Expenses	5	(637)		(508)	
Interest payable and similar charges	6	(1)		(1)	
Net revenue before taxation		3,701		3,321	
Taxation	7	(5)		–	
Net revenue after taxation			3,696		3,321
Total return before distributions			3,614		13,254
Distributions	8		(3,696)		(3,321)
Change in net assets attributable to unitholders from investment activities			(82)		9,933

Statement of Change in Net Assets Attributable to Unitholders

for the year ended 28 February 2021

	£000's	For the year to 28.2.2021 £000's	£000's	For the year to 29.2.2020 £000's
Opening net assets attributable to unitholders			235,496	151,845
Amounts receivable on issue of units	125,188			110,074
Amounts payable on cancellation of units	(90,705)			(40,340)
			34,483	69,734
Stamp duty reserve tax			–	2
Change in net assets attributable to unitholders from investment activities			(82)	9,933
Retained distribution on accumulation units			3,975	3,982
Closing net assets attributable to unitholders			273,872	235,496

BlackRock Consensus 35 Fund

Balance Sheet

at 28 February 2021

	Notes	28.2.2021 £000's	29.2.2020 £000's
Assets:			
Fixed assets			
– Investment assets		273,896	238,524
Current assets			
– Debtors	9	1,019	1,440
– Cash and bank balances		125	34
Total assets		275,040	239,998
Liabilities:			
Investment liabilities		–	(3,056)
Creditors			
– Other creditors	10	(1,168)	(1,446)
Total liabilities		(1,168)	(4,502)
Net assets attributable to unitholders		273,872	235,496

G D Bamping (Director)

M T Zemek (Director)

BlackRock Fund Managers Limited

12 May 2021

BlackRock Consensus 35 Fund

Notes to Financial Statements

for the year ended 28 February 2021

1. Accounting and Distribution Policies

The accounting and distribution policies are set out on pages 17 to 18.

2. Financial Instruments and Risks

The financial instruments and risks are set out on pages 19 to 30.

3. Net Capital (Losses)/Gains

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
The net capital (losses)/gains comprise:		
(Losses)/gains on non-derivative securities	(6,096)	11,827
Gains/(losses) on derivative securities	7,232	(2,845)
Currency (losses)/gains	(1,214)	956
Custodian transaction costs	(4)	(5)
Net capital (losses)/gains	(82)	9,933

Net losses (excluding transaction costs) listed above of £(78,000) comprise net realised gains of £4,793,000 and net unrealised losses of £(4,871,000) (29 February 2020: £9,938,000 comprising net realised gains of £2,863,000 and net unrealised gains of £7,075,000). Certain realised gains and losses in the current year were unrealised in the prior year.

4. Revenue

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Equity distributions on CIS holdings	1,113	1,159
Interest distributions on CIS holdings	2,546	2,165
Manager's charge rebates	417	349
Overseas dividends	263	157
Total revenue	4,339	3,830

BlackRock Consensus 35 Fund

Notes to Financial Statements continued

5. Expenses

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Payable to the Manager or associates of the Manager:		
– Annual service charge	–	1
– Manager's charge	612	485
	612	486
Other expenses:		
– Audit fee	8	8
– Trustee's fees	17	14
	25	22
Total expenses	637	508

6. Interest Payable and Similar Charges

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Interest on bank overdrafts	1	1
Total interest payable and similar charges	1	1

7. Taxation

(a) Analysis of tax charge

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Income tax	5	–
Total tax charge [see note 7(b)]	5	–

BlackRock Consensus 35 Fund

Notes to Financial Statements continued

7. Taxation continued

(b) Factors affecting the tax charge

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

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Net revenue before taxation	3,701	3,321
Corporation tax at 20% (29 February 2020: 20%)	740	664
Effects of:		
Irrecoverable overseas tax	5	–
Revenue not subject to tax	(223)	(232)
Tax deductible interest distributions	(517)	(432)
Total tax charge [see note 7(a)]	5	–

8. Distributions

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Interim distribution	1,721	1,613
Final distribution	2,254	2,369
	3,975	3,982
Add: Amounts deducted on cancellation of units	751	396
Less: Amounts received on issue of units	(1,030)	(1,057)
Distributions	3,696	3,321

Details of the interim and final distributions per unit are set out in the tables on page 33.

9. Debtors

	28.2.2021 £000's	29.2.2020 £000's
Accrued Manager's charge rebates	154	110
Amounts receivable for issue of units	764	1,111
Income tax recoverable	11	22
Sales awaiting settlement	90	197
Total debtors	1,019	1,440

BlackRock Consensus 35 Fund

Notes to Financial Statements continued

10. Other Creditors

	28.2.2021 £000's	29.2.2020 £000's
Accrued Audit fee	8	7
Accrued Manager's charge	221	128
Accrued Trustee's fee	6	3
Amounts payable for cancellation of units	656	564
Currency purchases awaiting settlement	1	–
Custodian transaction costs	1	1
Purchases awaiting settlement	275	743
Total other creditors	1,168	1,446

11. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (29 February 2020: £Nil).

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 28 February 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 to 28 February 2021, PNC Financial Services Group Inc. ("PNC") was a substantial shareholder in BlackRock Inc. PNC did not provide any services to the Fund during the years ended 28 February 2021 and 29 February 2020. On 11 May 2020, PNC announced its intent to sell its investment in BlackRock, Inc. through a registered offering and related buyback by BlackRock.

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.

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,

BlackRock Consensus 35 Fund

Notes to Financial Statements continued

12. Related Parties continued

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 28 February 2021 and 29 February 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.

13. Portfolio Transaction Costs

For the year ended 28 February 2021

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Purchases (excluding derivatives)					
Collective investment schemes	96,042	–	–	–	–
Total purchases	96,042	–		–	
Total purchases including transaction costs	96,042				
	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Sales (excluding derivatives)					
Collective investment schemes	60,602	–	–	–	–
Total sales	60,602	–		–	
Total sales net of transaction costs	60,602				
Total transaction costs		–		–	
Total transaction costs as a % of average net assets		0.00%		0.00%	

BlackRock Consensus 35 Fund

Notes to Financial Statements continued

13. Portfolio Transaction Costs continued

For the year ended 29 February 2020

Purchases (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Collective investment schemes	87,841	–	–	–	–
Total purchases	87,841	–		–	
Total purchases including transaction costs	87,841				

Sales (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Collective investment schemes	15,544	–	–	–	–
Total sales	15,544	–		–	
Total sales net of transaction costs	15,544				
Total transaction costs		–		–	
Total transaction costs as a % of average net assets		0.00%		0.00%	

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

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.

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 0.25% (29 February 2020: 0.28%).

BlackRock Consensus 35 Fund

Notes to Financial Statements continued

14. Units in Issue

The movement in units in issue for the year ended 28 February 2021 is as follows:

	A Accumulation Units	D Accumulation Units
Balance at the beginning of the year	19,522,736	138,481,763
Issued during the year	5,952,113	77,738,047
Cancelled during the year	(3,013,764)	(57,954,732)
Balance at the end of the year	22,461,085	158,265,078

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.

15. Post Balance Sheet Events

There have been no significant events subsequent to the year end, which, in the opinion of the Manager, may have had an impact on the Financial Statements for the year ended 28 February 2021.

BlackRock Consensus 60 Fund

About the Fund

The Fund is a sub-fund of BlackRock Non-UCITS Retail Funds (2), a non-UCITS retail scheme under the COLL Sourcebook. The Fund was established on 13 July 2012 and was authorised by the FCA on 25 May 2012. The Fund's FCA product reference number is 643961.

BlackRock Consensus 60 Fund

Performance Record

Comparative Table

	A Accumulation Units			D Accumulation Units		
	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	150.5	142.1	139.8	154.3	145.2	142.4
Return before operating charges	6.67	9.39	3.18	6.69	9.46	3.11
Operating charges	(0.94)	(0.95)	(0.89)	(0.34)	(0.36)	(0.33)
Return after operating charges	5.73	8.44	2.29	6.35	9.10	2.78
Distributions	(2.23)	(2.64)	(2.44)	(2.79)	(3.19)	(2.95)
Retained distributions on accumulation units	2.23	2.64	2.44	2.79	3.19	2.95
Closing net asset value per unit						
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges ¹	3.81%	5.94%	1.64%	4.12%	6.27%	1.95%
Other information						
Closing net asset value (£000's)	40,883	34,010	18,618	225,677	209,803	158,219
Closing number of units	26,167,966	22,592,870	13,102,665	140,478,971	135,972,689	108,983,513
Operating charges ²	0.62%	0.63%	0.63%	0.22%	0.23%	0.23%
Direct transaction costs ³	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest offer unit price	170.3	166.1	154.1	166.7	162.1	149.7
Lowest bid unit price	129.8	142.5	136.4	133.1	145.6	139.0

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

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

³ Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of collective investment schemes. See note 13 for further details.

BlackRock Consensus 60 Fund

Distribution Tables

for the year ended 28 February 2021

Final Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 September 2020

Group 2 – Units purchased 1 September 2020 to 28 February 2021

	A Accumulation Units		D Accumulation Units	
	Group 1	Group 2	Group 1	Group 2
Net revenue (dividend)	1.2738	0.0000	1.5619	0.0141
Equalisation [†]	–	1.2738	–	1.5478
Distribution paid 30.4.2021	1.2738	1.2738	1.5619	1.5619
Distribution paid 30.4.2020	1.6435	1.6435	1.9344	1.9344

Interim Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 March 2020

Group 2 – Units purchased 1 March 2020 to 31 August 2020

	A Accumulation Units		D Accumulation Units	
	Group 1	Group 2	Group 1	Group 2
Net revenue (dividend)	0.9609	0.0000	1.2277	0.0000
Equalisation [†]	–	0.9609	–	1.2277
Distribution paid 31.10.2020	0.9609	0.9609	1.2277	1.2277
Distribution paid 31.10.2019	0.9955	0.9955	1.2602	1.2602

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

BlackRock Consensus 60 Fund

Portfolio Statement

at 28 February 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
COLLECTIVE INVESTMENT SCHEMES – 99.55%; 29.2.2020 100.90%				Fixed Income Funds – 47.88%; 29.2.2020 52.66%			
Equity Funds – 45.57%; 29.2.2020 42.09%							
7,449,775	iShares Continental European Equity Index Fund UK	21,194	7.95	59,401	BlackRock Global Index Funds - iShare Emerging Markets Government Bond Index LU	6,103	2.29
551,709	iShares Emerging Markets Equity Index Fund UK	1,092	0.41	16,203,876	iShares Corporate Bond Index Fund UK	28,000	10.50
614,423	iShares Global Property Equity Index Fund UK	1,286	0.48	3,557,433	iShares Index Linked Gilt Index Fund UK	6,144	2.30
1,742,454	iShares Japan Equity Index Fund UK	4,461	1.67	27,916,711	iShares Overseas Corporate Bond Index Fund UK	45,309	17.00
5,042,954	iShares North American Equity Index Fund UK	24,564	9.21	16,875,976	iShares Overseas Government Bond Index Fund UK	22,546	8.46
1,061,698	iShares Pacific ex Japan Equity Index Fund UK	4,440	1.67	10,820,186	iShares UK Gilts All Stocks Index Fund UK	19,531	7.33
28,808,584	iShares UK Equity Index Fund UK	64,445	24.18			127,633	47.88
		121,482	45.57	Short-term Money Market Funds – 6.10%; 29.2.2020 6.15%			
				15,777,334	BlackRock Cash Fund	16,250	6.10

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
DERIVATIVES – 0.51%; 29.2.2020 (0.86%)			
Forward Currency Contracts – 0.51%; 29.2.2020 (0.86%)			
£1,816,840	UK sterling vs Canadian dollar	8	0.00
£36,393,432	UK sterling vs Euro	349	0.13
£8,741,893	UK sterling vs Japanese yen	155	0.06
£95,131,824	UK sterling vs US dollar	851	0.32
		1,363	0.51
Portfolio of investments		266,728	100.06
Net other liabilities		(168)	(0.06)
Total net assets		266,560	100.00

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 and Goldman Sachs International.

All underlying funds are managed by a related party.

BlackRock Consensus 60 Fund

Statement of Total Return

for the year ended 28 February 2021

	Notes	£000's	For the year to 28.2.2021 £000's	£000's	For the year to 29.2.2020 £000's
Income					
Net capital gains	3		5,388		6,791
Revenue	4	5,507		5,200	
Expenses	5	(683)		(575)	
Interest payable and similar charges	6	(1)		(1)	
Net revenue before taxation		4,823		4,624	
Taxation	7	(429)		(380)	
Net revenue after taxation			4,394		4,244
Total return before distributions			9,782		11,035
Distributions	8		(4,394)		(4,244)
Change in net assets attributable to unitholders from investment activities			5,388		6,791

Statement of Change in Net Assets Attributable to Unitholders

for the year ended 28 February 2021

	£000's	For the year to 28.2.2021 £000's	£000's	For the year to 29.2.2020 £000's
Opening net assets attributable to unitholders		243,813		176,837
Amounts receivable on issue of units	71,459		106,340	
Amounts payable on cancellation of units	(58,594)		(50,954)	
		12,865		55,386
Change in net assets attributable to unitholders from investment activities		5,388		6,791
Retained distribution on accumulation units		4,494		4,799
Closing net assets attributable to unitholders		266,560		243,813

BlackRock Consensus 60 Fund

Balance Sheet

at 28 February 2021

	Notes	28.2.2021 £000's	29.2.2020 £000's
Assets:			
Fixed assets			
– Investment assets		266,728	246,012
Current assets			
– Debtors	9	1,189	2,054
– Cash and bank balances		65	55
Total assets		267,982	248,121
Liabilities:			
Investment liabilities		–	(2,094)
Creditors			
– Other creditors	10	(1,422)	(2,214)
Total liabilities		(1,422)	(4,308)
Net assets attributable to unitholders		266,560	243,813

G D Bamping (Director)

M T Zemek (Director)

BlackRock Fund Managers Limited

12 May 2021

BlackRock Consensus 60 Fund

Notes to Financial Statements

for the year ended 28 February 2021

1. Accounting and Distribution Policies

The accounting and distribution policies are set out on pages 17 to 18.

2. Financial Instruments and Risks

The financial instruments and risks are set out on pages 19 to 30.

3. Net Capital Gains

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
The net capital gains comprise:		
Gains on non-derivative securities	1,467	8,896
Gains/(losses) on derivative securities	4,770	(2,818)
Currency (losses)/gains	(846)	717
Custodian transaction costs	(3)	(4)
Net capital gains	5,388	6,791

Net gains (excluding transaction costs) listed above of £5,391,000 comprise net realised gains of £2,281,000 and net unrealised gains of £3,110,000 (29 February 2020: £6,795,000 comprising net realised gains of £2,204,000 and net unrealised gains of £4,591,000). Certain realised gains and losses in the current year were unrealised in the prior year.

4. Revenue

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Equity distributions on CIS holdings	2,677	2,725
Interest distributions on CIS holdings	2,104	1,873
Manager's charge rebates	447	399
Overseas dividends	279	203
Total revenue	5,507	5,200

BlackRock Consensus 60 Fund

Notes to Financial Statements continued

5. Expenses

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Payable to the Manager or associates of the Manager:		
– Annual service charge	–	1
– Manager's charge	656	550
	656	551
Other expenses:		
– Audit fee	8	8
– FCA fee	–	1
– Legal and other professional fees	1	–
– Trustee's fees	18	15
	27	24
Total expenses	683	575

6. Interest Payable and Similar Charges

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Interest on bank overdrafts	1	1
Total interest payable and similar charges	1	1

7. Taxation

(a) Analysis of tax charge

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Corporation tax	429	380
Total tax charge [see note 7(b)]	429	380

BlackRock Consensus 60 Fund

Notes to Financial Statements continued

7. Taxation continued

(b) Factors affecting the tax charge

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

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Net revenue before taxation	4,823	4,624
Corporation tax at 20% (29 February 2020: 20%)	965	925
Effects of:		
Revenue not subject to tax	(536)	(545)
Total tax charge [see note 7(a)]	429	380

8. Distributions

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Interim distribution	1,966	1,798
Final distribution	2,528	3,001
	4,494	4,799
Add: Amounts deducted on cancellation of units	547	568
Less: Amounts received on issue of units	(647)	(1,123)
Distributions	4,394	4,244

Details of the interim and final distributions per unit are set out in the tables on page 46.

9. Debtors

	28.2.2021 £000's	29.2.2020 £000's
Accrued Manager's charge rebates	159	119
Amounts receivable for issue of units	1,027	1,930
Income tax recoverable	3	5
Total debtors	1,189	2,054

BlackRock Consensus 60 Fund

Notes to Financial Statements continued

10. Other Creditors

	28.2.2021 £000's	29.2.2020 £000's
Accrued Audit fee	8	7
Accrued Manager's charge	231	139
Accrued Trustee's fee	6	3
Amounts payable for cancellation of units	482	496
Corporation tax payable	139	113
Currency purchases awaiting settlement	1	–
Purchases awaiting settlement	555	1,456
Total other creditors	1,422	2,214

11. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (29 February 2020: £Nil).

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 28 February 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 to 28 February 2021, PNC Financial Services Group Inc. ("PNC") was a substantial shareholder in BlackRock Inc. PNC did not provide any services to the Fund during the years ended 28 February 2021 and 29 February 2020. On 11 May 2020, PNC announced its intent to sell its investment in BlackRock, Inc. through a registered offering and related buyback by BlackRock.

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.

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,

BlackRock Consensus 60 Fund

Notes to Financial Statements continued

12. Related Parties continued

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 28 February 2021 and 29 February 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.

13. Portfolio Transaction Costs

For the year ended 28 February 2021

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Purchases (excluding derivatives)					
Collective investment schemes	42,815	–	–	–	–
Total purchases	42,815	–		–	
Total purchases including transaction costs	42,815				
	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Sales (excluding derivatives)					
Collective investment schemes	29,985	–	–	–	–
Total sales	29,985	–		–	
Total sales net of transaction costs	29,985				
Total transaction costs		–		–	
Total transaction costs as a % of average net assets		0.00%		0.00%	

BlackRock Consensus 60 Fund

Notes to Financial Statements continued

13. Portfolio Transaction Costs continued

For the year ended 29 February 2020

Purchases (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Collective investment schemes	72,204	–	–	–	–
Total purchases	72,204	–		–	
Total purchases including transaction costs	72,204				

Sales (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Collective investment schemes	15,628	–	–	–	–
Total sales	15,628	–		–	
Total sales net of transaction costs	15,628				
Total transaction costs		–		–	
Total transaction costs as a % of average net assets		0.00%		0.00%	

The above analysis covers any 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.

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.

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 0.33% (29 February 2020: 0.28%).

BlackRock Consensus 60 Fund

Notes to Financial Statements continued

14. Units in Issue

The movement in units in issue for the year ended 28 February 2021 is as follows:

	A Accumulation Units	D Accumulation Units
Balance at the beginning of the year	22,592,870	135,972,689
Issued during the year	7,957,482	38,552,886
Cancelled during the year	(4,379,604)	(34,049,315)
Converted during the year	(2,782)	2,711
Balance at the end of the year	26,167,966	140,478,971

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.

15. Post Balance Sheet Events

There have been no significant events subsequent to the year end, which, in the opinion of the Manager, may have had an impact on the Financial Statements for the year ended 28 February 2021.

BlackRock Consensus 70 Fund

About the Fund

The Fund is a sub-fund of BlackRock Non-UCITS Retail Funds (2), a non-UCITS retail scheme under the COLL Sourcebook. The Fund was established on 13 July 2012 and was authorised by the FCA on 25 May 2012. The Fund's FCA product reference number is 643962.

BlackRock Consensus 70 Fund

Performance Record

Comparative Table

	A Accumulation Units			D Accumulation Units		
	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	157.4	149.0	146.9	161.4	152.3	149.7
Return before operating charges	9.81	9.37	3.05	9.96	9.45	2.96
Operating charges	(1.01)	(1.00)	(0.94)	(0.38)	(0.37)	(0.35)
Return after operating charges	8.80	8.37	2.11	9.58	9.08	2.61
Distributions	(2.32)	(2.87)	(2.66)	(2.90)	(3.47)	(3.20)
Retained distributions on accumulation units	2.32	2.87	2.66	2.90	3.47	3.20
Closing net asset value per unit						
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges ¹	5.59%	5.62%	1.44%	5.94%	5.96%	1.74%
Other information						
Closing net asset value (£000's)	11,305	6,902	4,164	190,406	165,105	119,414
Closing number of units	6,802,097	4,385,809	2,794,804	111,360,115	102,308,370	78,401,262
Operating charges ²	0.63%	0.63%	0.63%	0.23%	0.23%	0.23%
Direct transaction costs ³	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest offer unit price	181.3	175.5	162.8	177.6	171.4	158.2
Lowest bid unit price	134.7	149.4	142.6	138.2	152.7	145.4

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

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

³ Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of collective investment schemes. See note 13 for further details.

BlackRock Consensus 70 Fund

Distribution Tables

for the year ended 28 February 2021

Final Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 September 2020

Group 2 – Units purchased 1 September 2020 to 28 February 2021

	A Accumulation Units		D Accumulation Units	
	Group 1	Group 2	Group 1	Group 2
Net revenue (dividend)	1.3253	0.0000	1.6296	0.0000
Equalisation [†]	–	1.3253	–	1.6296
Distribution paid 30.4.2021	1.3253	1.3253	1.6296	1.6296
Distribution paid 30.4.2020	1.8053	1.8053	2.1201	2.1201

Interim Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 March 2020

Group 2 – Units purchased 1 March 2020 to 31 August 2020

	A Accumulation Units		D Accumulation Units	
	Group 1	Group 2	Group 1	Group 2
Net revenue (dividend)	0.9898	0.0000	1.2689	0.0000
Equalisation [†]	–	0.9898	–	1.2689
Distribution paid 31.10.2020	0.9898	0.9898	1.2689	1.2689
Distribution paid 31.10.2019	1.0686	1.0686	1.3487	1.3487

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

BlackRock Consensus 70 Fund

Portfolio Statement

at 28 February 2021

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
COLLECTIVE INVESTMENT SCHEMES – 99.63%; 29.2.2020 100.73%			
Equity Funds – 55.23%; 29.2.2020 51.50%			
7,096,148	iShares Continental European Equity Index Fund UK	20,188	10.01
455,700	iShares Emerging Markets Equity Index Fund UK	902	0.45
475,714	iShares Global Property Equity Index Fund UK	996	0.49
2,472,413	iShares Japan Equity Index Fund UK	6,329	3.14
5,719,902	iShares North American Equity Index Fund UK	27,862	13.81
1,079,426	iShares Pacific ex Japan Equity Index Fund UK	4,514	2.24
22,620,528	iShares UK Equity Index Fund UK	50,602	25.09
		111,393	55.23

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
Fixed Income Funds – 38.33%; 29.2.2020 43.32%			
35,201	BlackRock Global Index Funds - iShare Emerging Markets Government Bond Index LU	3,617	1.79
9,561,702	iShares Corporate Bond Index Fund UK	16,523	8.19
2,380,895	iShares Index Linked Gilt Index Fund UK	4,112	2.04
16,701,681	iShares Overseas Corporate Bond Index Fund UK	27,107	13.44
10,749,930	iShares Overseas Government Bond Index Fund UK	14,362	7.12
6,426,895	iShares UK Gilts All Stocks Index Fund UK	11,600	5.75
		77,321	38.33
Short-term Money Market Funds – 6.07%; 29.2.2020 5.91%			
11,892,662	BlackRock Cash Fund	12,249	6.07

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
DERIVATIVES – 0.41%; 29.2.2020 (0.70%)			
Forward Currency Contracts – 0.41%; 29.2.2020 (0.70%)			
£1,095,812	UK sterling vs Canadian dollar	5	0.00
£20,998,622	UK sterling vs Euro	202	0.10
£5,873,291	UK sterling vs Japanese yen	104	0.05
£58,712,578	UK sterling vs US dollar	516	0.26
		827	0.41
Portfolio of investments		201,790	100.04
Net other liabilities		(79)	(0.04)
Total net assets		201,711	100.00

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 and Goldman Sachs International.

All underlying funds are managed by a related party.

BlackRock Consensus 70 Fund

Statement of Total Return

for the year ended 28 February 2021

	Notes	£000's	For the year to 28.2.2021 £000's	£000's	For the year to 29.2.2020 £000's
Income					
Net capital gains	3		7,868		3,825
Revenue	4	3,933		3,674	
Expenses	5	(431)		(351)	
Interest payable and similar charges	6	(1)		(2)	
Net revenue before taxation		3,501		3,321	
Taxation	7	(254)		(220)	
Net revenue after taxation			3,247		3,101
Total return before distributions			11,115		6,926
Distributions	8		(3,247)		(3,101)
Change in net assets attributable to unitholders from investment activities			7,868		3,825

Statement of Change in Net Assets Attributable to Unitholders

for the year ended 28 February 2021

	£000's	For the year to 28.2.2021 £000's	£000's	For the year to 29.2.2020 £000's
Opening net assets attributable to unitholders		172,007		123,578
Amounts receivable on issue of units	63,494		78,697	
Amounts payable on cancellation of units	(45,052)		(37,643)	
		18,442		41,054
Change in net assets attributable to unitholders from investment activities		7,868		3,825
Retained distribution on accumulation units		3,394		3,550
Closing net assets attributable to unitholders		201,711		172,007

BlackRock Consensus 70 Fund

Balance Sheet

at 28 February 2021

	Notes	28.2.2021 £000's	29.2.2020 £000's
Assets:			
Fixed assets			
– Investment assets		201,790	173,258
Current assets			
– Debtors	9	1,109	1,034
– Cash and bank balances		42	47
Total assets		202,941	174,339
Liabilities:			
Investment liabilities		–	(1,207)
Creditors			
– Other creditors	10	(1,230)	(1,125)
Total liabilities		(1,230)	(2,332)
Net assets attributable to unitholders		201,711	172,007

G D Bamping (Director)

M T Zemek (Director)

BlackRock Fund Managers Limited

12 May 2021

BlackRock Consensus 70 Fund

Notes to Financial Statements

for the year ended 28 February 2021

1. Accounting and Distribution Policies

The accounting and distribution policies are set out on pages 17 to 18.

2. Financial Instruments and Risks

The financial instruments and risks are set out on pages 19 to 30.

3. Net Capital Gains

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
The net capital gains comprise:		
Gains on non-derivative securities	5,461	5,230
Gains/(losses) on derivative securities	2,861	(1,815)
Currency (losses)/gains	(452)	414
Custodian transaction costs	(2)	(4)
Net capital gains	7,868	3,825

Net gains (excluding transaction costs) listed above of £7,870,000 comprise net realised gains of £2,089,000 and net unrealised gains of £5,781,000 (29 February 2020: £3,829,000 comprising net realised gains of £2,378,000 and net unrealised gains of £1,451,000). Certain realised gains and losses in the current year were unrealised in the prior year.

4. Revenue

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Equity distributions on CIS holdings	2,232	2,220
Interest distributions on CIS holdings	1,222	1,052
Interest from UK bank deposits	–	1
Manager's charge rebates	335	281
Overseas dividends	144	120
Total revenue	3,933	3,674

BlackRock Consensus 70 Fund

Notes to Financial Statements continued

5. Expenses

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Payable to the Manager or associates of the Manager:		
– Annual service charge	–	1
– Manager's charge	410	330
	410	331
Other expenses:		
– Audit fee	8	8
– FCA fee	–	1
– Trustee's fees	13	11
	21	20
Total expenses	431	351

6. Interest Payable and Similar Charges

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Interest on bank overdrafts	1	2
Total interest payable and similar charges	1	2

7. Taxation

(a) Analysis of tax charge

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Corporation tax	254	220
Total tax charge [see note 7(b)]	254	220

BlackRock Consensus 70 Fund

Notes to Financial Statements continued

7. Taxation continued

(b) Factors affecting the tax charge

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

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Net revenue before taxation	3,501	3,321
Corporation tax at 20% (29 February 2020: 20%)	700	664
Effects of:		
Revenue not subject to tax	(446)	(444)
Total tax charge [see note 7(a)]	254	220

8. Distributions

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Interim distribution	1,489	1,302
Final distribution	1,905	2,248
	3,394	3,550
Add: Amounts deducted on cancellation of units	427	418
Less: Amounts received on issue of units	(574)	(867)
Distributions	3,247	3,101

Details of the interim and final distributions per unit are set out in the tables on page 59.

9. Debtors

	28.2.2021 £000's	29.2.2020 £000's
Accrued Manager's charge rebates	121	85
Amounts receivable for issue of units	400	946
Income tax recoverable	3	3
Sales awaiting settlement	585	–
Total debtors	1,109	1,034

BlackRock Consensus 70 Fund

Notes to Financial Statements continued

10. Other Creditors

	28.2.2021 £000's	29.2.2020 £000's
Accrued Audit fee	7	7
Accrued Manager's charge	146	87
Accrued Trustee's fee	5	2
Amounts payable for cancellation of units	892	265
Corporation tax payable	85	67
Currency purchases awaiting settlement	1	–
Purchases awaiting settlement	94	697
Total other creditors	1,230	1,125

11. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (29 February 2020: £Nil).

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 28 February 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 to 28 February 2021, PNC Financial Services Group Inc. ("PNC") was a substantial shareholder in BlackRock Inc. PNC did not provide any services to the Fund during the years ended 28 February 2021 and 29 February 2020. On 11 May 2020, PNC announced its intent to sell its investment in BlackRock, Inc. through a registered offering and related buyback by BlackRock.

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.

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,

BlackRock Consensus 70 Fund

Notes to Financial Statements continued

12. Related Parties continued

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 28 February 2021 and 29 February 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.

13. Portfolio Transaction Costs

For the year ended 28 February 2021

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Purchases (excluding derivatives)					
Collective investment schemes	42,475	–	–	–	–
Total purchases	42,475	–		–	
Total purchases including transaction costs	42,475				

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Sales (excluding derivatives)					
Collective investment schemes	23,824	–	–	–	–
Total sales	23,824	–		–	
Total sales net of transaction costs	23,824				
Total transaction costs		–		–	
Total transaction costs as a % of average net assets		0.00%		0.00%	

BlackRock Consensus 70 Fund

Notes to Financial Statements continued

13. Portfolio Transaction Costs continued

For the year ended 29 February 2020

Purchases (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Collective investment schemes	60,588	–	–	–	–
Total purchases	60,588	–		–	
Total purchases including transaction costs	60,588				

Sales (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Collective investment schemes	19,262	–	–	–	–
Total sales	19,262	–		–	
Total sales net of transaction costs	19,262				
Total transaction costs		–		–	
Total transaction costs as a % of average net assets		0.00%		0.00%	

The above analysis covers any 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.

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.

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 0.32% (29 February 2020: 0.28%).

BlackRock Consensus 70 Fund

Notes to Financial Statements continued

14. Units in Issue

The movement in units in issue for the year ended 28 February 2021 is as follows:

	A Accumulation Units	D Accumulation Units
Balance at the beginning of the year	4,385,809	102,308,370
Issued during the year	3,171,149	36,115,442
Cancelled during the year	(754,861)	(27,063,697)
Balance at the end of the year	6,802,097	111,360,115

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.

15. Post Balance Sheet Events

There have been no significant events subsequent to the year end, which, in the opinion of the Manager, may have had an impact on the Financial Statements for the year ended 28 February 2021.

BlackRock Consensus 85 Fund

About the Fund

The Fund was formerly established as a sub-fund of BlackRock Qualified Investors Schemes, a qualified investor scheme under the COLL Sourcebook. The Fund was established on 21 June 2005 and was authorised by the FCA on 21 June 2005. The Fund was previously known as BlackRock Consensus Fund. It adopted its present name with effect from 13 July 2012. The Fund became a sub-fund of the BlackRock Non-UCITS Retail Funds (2) on 13 July 2012. It is a non-UCITS retail scheme under the COLL Sourcebook. The Fund's FCA product reference number is 643957.

BlackRock Consensus 85 Fund

Performance Record

Comparative Table

	I Accumulation Units			A Accumulation Units		
	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	228.8	216.7	213.7	223.3	212.2	209.9
Return before operating charges	19.77	12.57	3.48	19.42	12.46	3.57
Operating charges	(0.52)	(0.51)	(0.48)	(1.42)	(1.41)	(1.32)
Return after operating charges	19.25	12.06	3.00	18.00	11.05	2.25
Distributions	(4.35)	(5.36)	(5.21)	(3.51)	(4.51)	(4.43)
Retained distributions on accumulation units	4.35	5.36	5.21	3.51	4.15	4.43
Closing net asset value per unit						
After direct transaction costs of	248.1	228.8	216.7	241.3	223.3	212.2
	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges ¹	8.41%	5.57%	1.40%	8.06%	5.21%	1.07%
Other information						
Closing net asset value (£000's)	1,032,361	816,789	618,988	395,393	359,186	334,609
Closing number of units	416,187,437	357,044,884	285,646,554	163,861,930	160,891,702	157,721,934
Operating charges ²	0.22%	0.22%	0.22%	0.62%	0.62%	0.62%
Direct transaction costs ³	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Highest offer unit price	258.1	247.2	227.9	263.7	253.4	234.7
Lowest bid unit price	193.5	217.1	205.6	188.8	212.5	201.4

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

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

³ Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of collective investment schemes. See note 13 for further details.

BlackRock Consensus 85 Fund

Performance Record continued

Comparative Table continued

	X Accumulation Units			D Accumulation Units		
	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	138.3	130.8	128.7	228.7	216.7	213.6
Return before operating charges	11.90	7.50	2.10	19.82	12.53	3.54
Operating charges	(0.03)	(0.03)	(0.03)	(0.52)	(0.51)	(0.48)
Return after operating charges	11.87	7.47	2.07	19.30	12.02	3.06
Distributions	(2.86)	(3.46)	(3.35)	(4.35)	(5.36)	(5.21)
Retained distributions on accumulation units	2.86	3.46	3.35	4.35	5.36	5.21
Closing net asset value per unit						
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges ¹	8.58%	5.71%	1.61%	8.44%	5.55%	1.43%
Other information						
Closing net asset value (£000's)	214,405	190,799	180,390	379,607	223,568	103,085
Closing number of units	142,771,071	137,986,863	137,944,142	153,064,766	97,747,953	47,579,581
Operating charges ²	0.02%	0.02%	0.02%	0.22%	0.22%	0.22%
Direct transaction costs ³	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest offer unit price	156.2	149.4	137.4	258.1	247.2	227.9
Lowest bid unit price	117.0	131.0	124.0	193.5	217.0	205.6

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

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

³ Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of collective investment schemes. See note 13 for further details.

BlackRock Consensus 85 Fund

Performance Record continued

Comparative Table continued

	XM Accumulation Units		
	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019
	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit			
Opening net asset value per unit	138.2	130.7	128.7
Return before operating charges	11.96	7.58	2.07
Operating charges	(0.07)	(0.04)	(0.03)
Return after operating charges	11.89	7.54	2.04
Distributions	(2.82)	(3.45)	(3.35)
Retained distributions on accumulation units	2.82	3.45	3.35
Closing net asset value per unit	150.1	138.2	130.7
After direct transaction costs of	0.00	0.00	0.00
Performance			
Return after charges ¹	8.60%	5.77%	1.59%
Other information			
Closing net asset value (£000's)	640,470	584,086	532,069
Closing number of units	426,716,892	422,529,257	406,962,660
Operating charges ²	0.05%	0.03%	0.02%
Direct transaction costs ³	0.00%	0.00%	0.00%
Prices			
	Pence per unit	Pence per unit	Pence per unit
Highest offer unit price	156.2	149.4	137.4
Lowest bid unit price	117.0	131.0	124.0

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

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

³ Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of collective investment schemes. See note 13 for further details.

BlackRock Consensus 85 Fund

Distribution Tables

for the year ended 28 February 2021

Final Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 September 2020

Group 2 – Units purchased 1 September 2020 to 28 February 2021

	I Accumulation Units		A Accumulation Units		X Accumulation Units		D Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Net revenue (dividend)	2.4570	0.0000	2.0161	0.0000	1.6042	0.0493	2.4570	0.0000
Equalisation [†]	–	2.4570	–	2.0161	–	1.5549	–	2.4570
Distribution paid 30.4.2021	2.4570	2.4570	2.0161	2.0161	1.6042	1.6042	2.4570	2.4570
Distribution paid 30.4.2020	3.4193	3.4193	2.9697	2.9697	2.1797	2.1797	3.4171	3.4171

	XM Accumulation Units	
	Group 1	Group 2
Net revenue (dividend)	1.5850	0.0397
Equalisation [†]	–	1.5453
Distribution paid 30.4.2021	1.5850	1.5850
Distribution paid 30.4.2020	2.1711	2.1711

Interim Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 March 2020

Group 2 – Units purchased 1 March 2020 to 31 August 2020

	I Accumulation Units		A Accumulation Units		X Accumulation Units		D Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Net revenue (dividend)	1.8957	0.0000	1.4972	0.0000	1.2553	0.0048	1.8957	0.0000
Equalisation [†]	–	1.8957	–	1.4972	–	1.2505	–	1.8957
Distribution paid 31.10.2020	1.8957	1.8957	1.4972	1.4972	1.2553	1.2553	1.8957	1.8957
Distribution paid 31.10.2019	1.9431	1.9431	1.5427	1.5427	1.2835	1.2835	1.9429	1.9429

	XM Accumulation Units	
	Group 1	Group 2
Net revenue (dividend)	1.2360	0.0000
Equalisation [†]	–	1.2360
Distribution paid 31.10.2020	1.2360	1.2360
Distribution paid 31.10.2019	1.2832	1.2832

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

BlackRock Consensus 85 Fund

Portfolio Statement

at 28 February 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
COLLECTIVE INVESTMENT SCHEMES – 99.76%; 29.2.2020 100.48%				28,453,797	iShares US Equity Index Fund UK	104,511	3.93
Equity Funds – 70.92%; 29.2.2020 66.58%						1,887,974	70.92
63,834,616	iShares 100 UK Equity Index Fund UK	102,327	3.84	Fixed Income Funds – 22.94%; 29.2.2020 27.63%			
123,375,313	iShares Continental European Equity Index Fund UK	351,003	13.18	203,232	BlackRock Global Index Funds - iShare Emerging Markets Government Bond Index LU	20,881	0.78
12,246,694	iShares Emerging Markets Equity Index Fund UK	24,236	0.91	72,830,346	iShares Corporate Bond Index Fund UK	125,851	4.73
6,411,344	iShares Global Property Equity Index Fund UK	13,419	0.50	25,950,353	iShares Index Linked Gilt Index Fund UK	44,816	1.68
48,875,381	iShares Japan Equity Index Fund UK	125,121	4.70	126,829,991	iShares Overseas Corporate Bond Index Fund UK	205,845	7.73
8,537,595	iShares Mid Cap UK Equity Index Fund UK	19,961	0.75	94,585,995	iShares Overseas Government Bond Index Fund UK	126,367	4.75
90,114,015	iShares North American Equity Index Fund UK	438,945	16.49	48,181,717	iShares UK Gilts All Stocks Index Fund UK	86,968	3.27
21,229,723	iShares Pacific ex Japan Equity Index Fund UK	88,783	3.34			610,728	22.94
277,008,490	iShares UK Equity Index Fund UK	619,668	23.28	Short-term Money Market Funds – 5.90%; 29.2.2020 6.27%			
				152,452,811	BlackRock Cash Fund	157,026	5.90

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
DERIVATIVES – 0.24%; 29.2.2020 (0.45%)			
Forward Currency Contracts – 0.24%; 29.2.2020 (0.45%)			
£10,121,940	UK sterling vs Canadian dollar	45	0.00
£171,823,014	UK sterling vs Euro	1,653	0.06
£54,460,592	UK sterling vs Japanese yen	968	0.04
£431,470,533	UK sterling vs US dollar	3,854	0.14
		6,520	0.24

Portfolio of investments	2,662,248	100.00
Net other liabilities	(12)	0.00
Total net assets	2,662,236	100.00

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

The counterparty for the forward currency contracts is Goldman Sachs International.

All underlying funds are managed by a related party.

BlackRock Consensus 85 Fund

Statement of Total Return

for the year ended 28 February 2021

	Notes	£000's	For the year to 28.2.2021 £000's	£000's	For the year to 29.2.2020 £000's
Income					
Net capital gains	3		159,032		43,234
Revenue	4	50,016		51,841	
Expenses	5	(5,021)		(4,162)	
Interest payable and similar charges	6	(3)		(3)	
Net revenue before taxation		44,992		47,676	
Taxation	7	(1,967)		(1,955)	
Net revenue after taxation			43,025		45,721
Total return before distributions			202,057		88,955
Distributions	8		(43,025)		(45,722)
Change in net assets attributable to unitholders from investment activities			159,032		43,233

Statement of Change in Net Assets Attributable to Unitholders

for the year ended 28 February 2021

	£000's	For the year to 28.2.2021 £000's	£000's	For the year to 29.2.2020 £000's
Opening net assets attributable to unitholders		2,174,428		1,769,141
Amounts receivable on issue of units	506,742		493,817	
Amounts payable on cancellation of units	(223,680)		(181,290)	
		283,062		312,527
Change in net assets attributable to unitholders from investment activities		159,032		43,233
Retained distribution on accumulation units		45,714		49,527
Closing net assets attributable to unitholders		2,662,236		2,174,428

BlackRock Consensus 85 Fund

Balance Sheet

at 28 February 2021

	Notes	28.2.2021 £000's	29.2.2020 £000's
Assets:			
Fixed assets			
– Investment assets		2,662,248	2,184,874
Current assets			
– Debtors	9	6,449	6,880
– Cash and bank balances		541	482
Total assets		2,669,238	2,192,236
Liabilities:			
Investment liabilities		–	(9,838)
Creditors			
– Other creditors	10	(7,002)	(7,970)
Total liabilities		(7,002)	(17,808)
Net assets attributable to unitholders		2,662,236	2,174,428

G D Bamping (Director)

M T Zemek (Director)

BlackRock Fund Managers Limited

12 May 2021

BlackRock Consensus 85 Fund

Notes to Financial Statements

for the year ended 28 February 2021

1. Accounting and Distribution Policies

The accounting and distribution policies are set out on pages 17 to 18.

2. Financial Instruments and Risks

The financial instruments and risks are set out on pages 19 to 30.

3. Net Capital Gains

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
The net capital gains comprise:		
Gains on non-derivative securities	140,398	54,064
Gains/(losses) on derivative securities	22,543	(14,370)
Currency (losses)/gains	(3,905)	3,544
Custodian transaction costs	(3)	(4)
Net capital gains	159,033	43,234

Net gains (excluding transaction costs) listed above of £159,036,000 comprise net realised gains of £8,274,000 and net unrealised gains of £150,762,000 (29 February 2020: £43,238,000) comprising net realised gains of £11,032,000 and net unrealised gains of £32,206,000). Certain realised gains and losses in the current year were unrealised in the prior year.

4. Revenue

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Equity distributions on CIS holdings	35,158	37,902
Interest distributions on CIS holdings	9,852	9,280
Interest from UK bank deposits	–	1
Manager's charge rebates	3,984	3,459
Overseas dividends	1,022	1,199
Total revenue	50,016	51,841

BlackRock Consensus 85 Fund

Notes to Financial Statements continued

5. Expenses

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Payable to the Manager or associates of the Manager:		
– Annual service charge	–	1
– Manager's charge	4,667	3,978
	4,667	3,979
Other expenses:		
– Audit fee	8	8
– FCA fee	–	1
– Legal and other professional fees	5	–
– Unitholder servicing activity fees	200	43
– Trustee's fees	141	131
	354	183
Total expenses	5,021	4,162

6. Interest Payable and Similar Charges

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Interest on bank overdrafts	3	3
Total interest payable and similar charges	3	3

7. Taxation

(a) Analysis of tax charge

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Corporation tax	1,967	1,955
Total tax charge [see note 7(b)]	1,967	1,955

BlackRock Consensus 85 Fund

Notes to Financial Statements continued

7. Taxation continued

(b) Factors affecting the tax charge

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

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Net revenue before taxation	44,992	47,676
Corporation tax at 20% (29 February 2020: 20%)	8,998	9,535
Effects of:		
Revenue not subject to tax	(7,031)	(7,580)
Total tax charge [see note 7(a)]	1,967	1,955

8. Distributions

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Interim distribution	19,369	17,019
Final distribution	26,344	32,508
	45,713	49,527
Add: Amounts deducted on cancellation of units	2,176	2,129
Less: Amounts received on issue of units	(4,864)	(5,934)
Distributions	43,025	45,722

The distributable amount has been calculated as follows:

Net revenue after taxation	43,025	45,721
Add: Equalisation on conversions	–	1
Distributions	43,025	45,722

Details of the interim and final distributions per unit are set out in the tables on page 74.

BlackRock Consensus 85 Fund

Notes to Financial Statements continued

9. Debtors

	28.2.2021	29.2.2020
	£000's	£000's
Accrued Manager's charge rebates	1,498	1,069
Amounts receivable for issue of units	4,757	5,760
Corporation tax receivable	194	–
Currency sales awaiting settlement	–	2
Income tax recoverable	–	49
Total debtors	6,449	6,880

10. Other Creditors

	28.2.2021	29.2.2020
	£000's	£000's
Accrued Audit fee	7	7
Accrued Manager's charge	1,694	1,085
Accrued Safe custody fees	243	43
Accrued Trustee's fee	48	21
Amounts payable for cancellation of units	3,766	5,312
Corporation tax payable	–	644
Currency purchases awaiting settlement	5	–
Custodian transaction costs	1	1
Purchases awaiting settlement	1,238	857
Total other creditors	7,002	7,970

11. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (29 February 2020: £Nil).

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 28 February 2021:

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

BlackRock Consensus 85 Fund

Notes to Financial Statements continued

12. Related Parties continued

The ultimate holding company of the Manager, Registrar and Investment Manager is BlackRock Inc. ("BlackRock"), a company incorporated in Delaware, USA. During the year to 28 February 2021, PNC Financial Services Group Inc. ("PNC") was a substantial shareholder in BlackRock Inc. PNC did not provide any services to the Fund during the years ended 28 February 2021 and 29 February 2020. On 11 May 2020, PNC announced its intent to sell its investment in BlackRock, Inc. through a registered offering and related buyback by BlackRock.

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.

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 28 February 2021 and 29 February 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.

BlackRock Consensus 85 Fund

Notes to Financial Statements continued

13. Portfolio Transaction Costs

For the year ended 28 February 2021

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Purchases (excluding derivatives)					
Collective investment schemes	333,909	–	–	–	–
Total purchases	333,909	–	–	–	–
Total purchases including transaction costs	333,909				

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Sales (excluding derivatives)					
Collective investment schemes	49,485	–	–	–	–
Total sales	49,485	–	–	–	–
Total sales net of transaction costs	49,485				
Total transaction costs		–		–	
Total transaction costs as a % of average net assets		0.00%		0.00%	

For the year ended 29 February 2020

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Purchases (excluding derivatives)					
Collective investment schemes	357,559	–	–	–	–
Total purchases	357,559	–	–	–	–
Total purchases including transaction costs	357,559				

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Sales (excluding derivatives)					
Collective investment schemes	42,323	–	–	–	–
Total sales	42,323	–	–	–	–
Total sales net of transaction costs	42,323				
Total transaction costs		–		–	
Total transaction costs as a % of average net assets		0.00%		0.00%	

BlackRock Consensus 85 Fund

Notes to Financial Statements continued

13. Portfolio Transaction Costs continued

The above analysis covers any 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.

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.

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 0.31% (29 February 2020: 0.27%).

14. Units in Issue

The movement in units in issue for the year ended 28 February 2021 is as follows:

	I Accumulation Units	A Accumulation Units	X Accumulation Units	D Accumulation Units
Balance at the beginning of the year	357,044,884	160,891,702	137,986,863	97,747,953
Issued during the year	99,366,011	14,343,638	19,810,746	78,673,044
Cancelled during the year	(40,255,551)	(11,340,133)	(15,026,538)	(23,356,580)
Converted during the year	32,093	(33,277)	–	349
Balance at the end of the year	416,187,437	163,861,930	142,771,071	153,064,766

	XM Accumulation Units
Balance at the beginning of the year	422,529,257
Issued during the year	24,951,314
Cancelled during the year	(20,763,679)
Converted during the year	–
Balance at the end of the year	426,716,892

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.

15. Post Balance Sheet Events

There have been no significant events subsequent to the year end, which, in the opinion of the Manager, may have had an impact on the Financial Statements for the year ended 28 February 2021.

BlackRock Consensus 100 Fund

About the Fund

The Fund is a sub-fund of BlackRock Non-UCITS Retail Funds (2), a non-UCITS retail scheme under the COLL Sourcebook. The Fund was established on 13 July 2012 and was authorised by the FCA on 25 May 2012. The Fund's FCA product reference number is 643963.

BlackRock Consensus 100 Fund

Performance Record

Comparative Table

	I Accumulation Units			A Accumulation Units		
	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	172.3	161.0	158.2	214.5	201.2	198.5
Return before operating charges	29.44	11.73	3.15	36.52	14.67	3.93
Operating charges	(0.43)	(0.41)	(0.37)	(1.45)	(1.39)	(1.27)
Return after operating charges	29.01	11.32	2.78	35.07	13.28	2.66
Distributions	(3.15)	(3.71)	(3.22)	(3.00)	(3.75)	(3.23)
Retained distributions on accumulation units	3.15	3.71	3.22	3.00	3.75	3.23
Closing net asset value per unit						
After direct transaction costs of	201.3	172.3	161.0	249.6	214.5	201.2
	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges ¹	16.84%	7.03%	1.76%	16.35%	6.60%	1.34%
Other information						
Closing net asset value (£000's)	11,074	8,151	5,974	8,732	8,596	6,910
Closing number of units	5,501,069	4,730,088	3,711,076	3,498,768	4,008,044	3,435,199
Operating charges ²	0.23%	0.23%	0.23%	0.63%	0.63%	0.63%
Direct transaction costs ³	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest offer unit price	221.6	202.7	181.1	274.8	252.4	226.7
Lowest bid unit price	141.2	160.9	149.3	175.7	201.1	186.8

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

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

³ Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of collective investment schemes. See note 12 for further details.

BlackRock Consensus 100 Fund

Performance Record continued

Comparative Table continued

	D Accumulation Units		
	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019
	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit			
Opening net asset value per unit	221.1	206.6	203.0
Return before operating charges	37.79	15.05	4.07
Operating charges	(0.55)	(0.52)	(0.50)
Return after operating charges	37.24	14.53	3.57
Distributions	(4.05)	(4.77)	(4.14)
Retained distributions on accumulation units	4.05	4.77	4.14
Closing net asset value per unit	258.3	221.1	206.6
After direct transaction costs of	0.00	0.00	0.00
Performance			
Return after charges ¹	16.84%	7.03%	1.76%
Other information			
Closing net asset value (£000's)	111,235	78,895	65,186
Closing number of units	43,057,277	35,677,323	31,556,175
Operating charges ²	0.23%	0.23%	0.24%
Direct transaction costs ³	0.00%	0.00%	0.00%
Prices			
	Pence per unit	Pence per unit	Pence per unit
Highest offer unit price	270.9	247.8	221.3
Lowest bid unit price	181.2	206.5	191.6

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

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

³ Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of collective investment schemes. See note 12 for further details.

BlackRock Consensus 100 Fund

Distribution Tables

for the year ended 28 February 2021

Final Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 September 2020

Group 2 – Units purchased 1 September 2020 to 28 February 2021

	I Accumulation Units		A Accumulation Units		D Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Net revenue (dividend)	1.8470	0.0000	1.8087	0.0000	2.3703	0.0000
Equalisation [†]	–	1.8470	–	1.8087	–	2.3703
Distribution paid 30.4.2021	1.8470	1.8470	1.8087	1.8087	2.3703	2.3703
Distribution paid 30.4.2020	2.4448	2.4448	2.6052	2.6052	3.1482	3.1482

Interim Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 March 2020

Group 2 – Units purchased 1 March 2020 to 31 August 2020

	I Accumulation Units		A Accumulation Units		D Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Net revenue (dividend)	1.3073	0.0000	1.1945	0.0000	1.6777	0.0000
Equalisation [†]	–	1.3073	–	1.1945	–	1.6777
Distribution paid 31.10.2020	1.3073	1.3073	1.1945	1.1945	1.6777	1.6777
Distribution paid 31.10.2019	1.2606	1.2606	1.1433	1.1433	1.6176	1.6176

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

BlackRock Consensus 100 Fund

Portfolio Statement

at 28 February 2021

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
COLLECTIVE INVESTMENT SCHEMES – 100.00%; 29.2.2020 99.97%			
Equity Funds – 98.25%; 29.2.2020 97.89%			
9,732,835	iShares Continental European Equity Index Fund UK	27,690	21.13
1,121,929	iShares Emerging Markets Equity Index Fund UK	2,220	1.69
3,183,739	iShares Japan Equity Index Fund UK	8,150	6.22
8,860,427	iShares North American Equity Index Fund UK	43,159	32.93
1,929,917	iShares Pacific ex Japan Equity Index Fund UK	8,071	6.16

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
8,404,114	iShares UK Equity Index Fund UK	18,800	14.35
5,626,038	iShares US Equity Index Fund UK	20,665	15.77
		128,755	98.25
Short-term Money Market Funds – 1.75%; 29.2.2020 2.08%			
2,225,249	BlackRock Cash Fund	2,292	1.75
Portfolio of investments		131,047	100.00
Net other liabilities		(6)	0.00
Total net assets		131,041	100.00

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

All underlying funds are managed by a related party.

BlackRock Consensus 100 Fund

Statement of Total Return

for the year ended 28 February 2021

	Notes	£000's	For the year to 28.2.2021 £000's	£000's	For the year to 29.2.2020 £000's
Income					
Net capital gains	3		15,358		3,069
Revenue	4	2,073		2,064	
Expenses	5	(272)		(233)	
Net revenue before taxation		1,801		1,831	
Taxation	6	–		–	
Net revenue after taxation			1,801		1,831
Total return before distributions			17,159		4,900
Distributions	7		(1,802)		(1,831)
Change in net assets attributable to unitholders from investment activities			15,357		3,069

Statement of Change in Net Assets Attributable to Unitholders

for the year ended 28 February 2021

	£000's	For the year to 28.2.2021 £000's	£000's	For the year to 29.2.2020 £000's
Opening net assets attributable to unitholders			95,642	78,070
Amounts receivable on issue of units	42,912			25,724
Amounts payable on cancellation of units	(24,828)			(13,194)
			18,084	12,530
Change in net assets attributable to unitholders from investment activities			15,357	3,069
Retained distribution on accumulation units			1,958	1,973
Closing net assets attributable to unitholders			131,041	95,642

BlackRock Consensus 100 Fund

Balance Sheet

at 28 February 2021

	Notes	28.2.2021 £000's	29.2.2020 £000's
Assets:			
Fixed assets			
– Investment assets		131,047	95,615
Current assets			
– Debtors	8	1,070	1,213
– Cash and bank balances		28	163
Total assets		132,145	96,991
Liabilities:			
Creditors			
– Other creditors	9	(1,104)	(1,349)
Total liabilities		(1,104)	(1,349)
Net assets attributable to unitholders		131,041	95,642

G D Bamping (Director)

M T Zemek (Director)

BlackRock Fund Managers Limited

12 May 2021

BlackRock Consensus 100 Fund

Notes to Financial Statements

for the year ended 28 February 2021

1. Accounting and Distribution Policies

The accounting and distribution policies are set out on pages 17 to 18.

2. Financial Instruments and Risks

The financial instruments and risks are set out on pages 19 to 30.

3. Net Capital Gains

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
The net capital gains comprise:		
Gains on non-derivative securities	15,359	3,070
Custodian transaction costs	(1)	(1)
Net capital gains	15,358	3,069

Net gains (excluding transaction costs) listed above of £15,359,000 comprise net realised gains of £1,328,000 and net unrealised gains of £14,031,000 (29 February 2020: £3,070,000 comprising net realised gains of £727,000 and net unrealised losses of £(1,709,000)). Certain realised gains and losses in the current year were unrealised in the prior year.

4. Revenue

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Equity distributions on CIS holdings	1,874	1,883
Interest distributions on CIS holdings	13	21
Manager's charge rebates	186	160
Total revenue	2,073	2,064

BlackRock Consensus 100 Fund

Notes to Financial Statements continued

5. Expenses

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Payable to the Manager or associates of the Manager:		
– Manager's charge	257	217
	257	217
Other expenses:		
– Audit fee	8	8
– FCA fee	–	1
– Legal and other professional fees	–	1
– Trustee's fees	7	6
	15	16
Total expenses	272	233

6. Taxation

(a) Analysis of tax charge

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Corporation tax	–	–
Total tax charge [see note 6(b)]	–	–

(b) Factors affecting the tax charge

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

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Net revenue before taxation	1,801	1,831
Corporation tax at 20% (29 February 2020: 20%)	360	366
Effects of:		
Movement in unrecognised excess management expenses	15	10
Revenue not subject to tax	(375)	(376)
Total tax charge [see note 6(a)]	–	–

At 28 February 2021, the Fund had surplus management expenses of £336,000 (29 February 2020: £263,000). It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and, therefore, a deferred tax asset of £67,000 (29 February 2020: £52,000) has not been recognised.

BlackRock Consensus 100 Fund

Notes to Financial Statements continued

7. Distributions

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Interim distribution	772	629
Final distribution	1,185	1,344
	1,957	1,973
Add: Amounts deducted on cancellation of units	224	143
Less: Amounts received on issue of units	(379)	(285)
Distributions	1,802	1,831

The distributable amount has been calculated as follows:

Net revenue after taxation	1,801	1,831
Add: Equalisation on conversions	1	–
Distributions	1,802	1,831

Details of the interim and final distributions per unit are set out in the tables on page 88.

8. Debtors

	28.2.2021 £000's	29.2.2020 £000's
Accrued Manager's charge rebates	71	47
Amounts receivable for issue of units	998	410
Income tax recoverable	1	2
Sales awaiting settlement	–	754
Total debtors	1,070	1,213

9. Other Creditors

	28.2.2021 £000's	29.2.2020 £000's
Accrued Audit fee	8	7
Accrued Manager's charge	95	54
Accrued Trustee's fee	3	1
Amounts payable for cancellation of units	84	940
Purchases awaiting settlement	914	347
Total other creditors	1,104	1,349

10. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (29 February 2020: £Nil).

BlackRock Consensus 100 Fund

Notes to Financial Statements continued

11. Related Parties

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

The following entities were related parties of the Fund during the year ended 28 February 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 to 28 February 2021, PNC Financial Services Group Inc. ("PNC") was a substantial shareholder in BlackRock Inc. PNC did not provide any services to the Fund during the years ended 28 February 2021 and 29 February 2020. On 11 May 2020, PNC announced its intent to sell its investment in BlackRock, Inc. through a registered offering and related buyback by BlackRock.

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.

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 28 February 2021 and 29 February 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.

BlackRock Consensus 100 Fund

Notes to Financial Statements continued

12. Portfolio Transaction Costs

For the year ended 28 February 2021

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Purchases (excluding derivatives)					
Collective investment schemes	26,111	–	–	–	–
Total purchases	26,111	–		–	
Total purchases including transaction costs	26,111				

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Sales (excluding derivatives)					
Collective investment schemes	7,925	–	–	–	–
Total sales	7,925	–		–	
Total sales net of transaction costs	7,925				
Total transaction costs		–		–	
Total transaction costs as a % of average net assets		0.00%		0.00%	

For the year ended 29 February 2020

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Purchases (excluding derivatives)					
Collective investment schemes	17,305	–	–	–	–
Total purchases	17,305	–		–	
Total purchases including transaction costs	17,305				

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Sales (excluding derivatives)					
Collective investment schemes	4,595	–	–	–	–
Total sales	4,595	–		–	
Total sales net of transaction costs	4,595				
Total transaction costs		–		–	
Total transaction costs as a % of average net assets		0.00%		0.00%	

BlackRock Consensus 100 Fund

Notes to Financial Statements continued

12. Portfolio Transaction Costs continued

The above analysis covers any 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.

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.

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 0.23% (29 February 2020: 0.22%).

13. Units in Issue

The movement in units in issue for the year ended 28 February 2021 is as follows:

	I Accumulation Units	A Accumulation Units	D Accumulation Units
Balance at the beginning of the year	4,730,088	4,008,044	35,677,323
Issued during the year	2,400,472	1,209,093	15,306,231
Cancelled during the year	(1,631,891)	(1,331,342)	(8,298,955)
Converted during the year	2,400	(387,027)	372,678
Balance at the end of the year	5,501,069	3,498,768	43,057,277

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.

14. Post Balance Sheet Events

There have been no significant events subsequent to the year end, which, in the opinion of the Manager, may have had an impact on the Financial Statements for the year ended 28 February 2021.

BlackRock Global Equity Fund

About the Fund

The Fund was formerly established as a sub-fund of BlackRock Qualified Investors Schemes, a qualified investor scheme under the COLL Sourcebook. The Fund was established on 21 June 2005 and was authorised by the FCA on 21 June 2005. The Fund was previously known as Merrill Lynch Global Equity Fund. It adopted its present name with effect from 28 April 2008. The Fund became a sub-fund of the BlackRock Non-UCITS Retail Funds (2) on 13 July 2012. It is a non-UCITS retail scheme under the COLL Sourcebook. The Fund's FCA product reference number is 643958.

BlackRock Global Equity Fund

Performance Record

Comparative Table

	I Accumulation Units			D Accumulation Units		
	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	270.9	261.1	255.4	270.5	260.7	255.0
Return before operating charges	31.90	10.44	6.28	31.81	10.40	6.26
Operating charges	(0.61)	(0.63)	(0.58)	(0.61)	(0.62)	(0.58)
Return after operating charges	31.29	9.81	5.70	31.20	9.78	5.68
Distributions	(6.47)	(8.21)	(6.88)	(6.46)	(8.19)	(6.87)
Retained distributions on accumulation units	6.47	8.21	6.88	6.46	8.19	6.87
Closing net asset value per unit						
After direct transaction costs of	302.2	270.9	261.1	301.7	270.5	260.7
	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges ¹	11.55%	3.76%	2.23%	11.53%	3.75%	2.23%
Other information						
Closing net asset value (£000's)	475,380	455,121	468,326	1,122	1,066	649
Closing number of units	157,313,250	167,997,166	179,366,895	371,809	393,947	248,997
Operating charges ²	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%
Direct transaction costs ³	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Highest offer unit price	316.1	306.5	279.8	315.6	306.0	279.3
Lowest bid unit price	214.7	261.5	241.7	214.4	261.1	241.3

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

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

³ Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of collective investment schemes. See note 13 for further details.

BlackRock Global Equity Fund

Distribution Tables

for the year ended 28 February 2021

Final Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 September 2020

Group 2 – Units purchased 1 September 2020 to 28 February 2021

	I Accumulation Units		D Accumulation Units	
	Group 1	Group 2	Group 1	Group 2
Net revenue (dividend)	3.4321	0.0000	3.4259	0.0000
Equalisation [†]	–	3.4321	–	3.4259
Distribution paid 30.4.2021	3.4321	3.4321	3.4259	3.4259
Distribution paid 30.4.2020	5.1565	5.1565	5.1487	5.1487

Interim Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 March 2020

Group 2 – Units purchased 1 March 2020 to 31 August 2020

	I Accumulation Units		D Accumulation Units	
	Group 1	Group 2	Group 1	Group 2
Net revenue (dividend)	3.0414	0.0000	3.0366	0.0000
Equalisation [†]	–	3.0414	–	3.0366
Distribution paid 31.10.2020	3.0414	3.0414	3.0366	3.0366
Distribution paid 31.10.2019	3.0504	3.0504	3.0460	3.0460

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

BlackRock Global Equity Fund

Portfolio Statement

at 28 February 2021

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
COLLECTIVE INVESTMENT SCHEMES – 100.00%; 29.2.2020 99.97%			
Equity Funds – 100.00%; 29.2.2020 99.97%			
67,247,209	iShares 100 UK Equity Index Fund UK	107,797	22.62
12,722,597	iShares Continental European Equity Index Fund UK	36,196	7.60
7,992,631	iShares Japan Equity Index Fund UK	20,461	4.29
8,842,822	iShares Mid Cap UK Equity Index Fund UK	20,675	4.34
23,423,787	iShares North American Equity Index Fund UK	114,097	23.94

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
5,182,331	iShares Pacific ex Japan Equity Index Fund UK	21,673	4.55
49,032,806	iShares UK Equity Index Fund UK	109,686	23.02
12,502,104	iShares US Equity Index Fund UK	45,920	9.64
		476,505	100.00
Portfolio of investments		476,505	100.00
Net other liabilities		(3)	0.00
Total net assets		476,502	100.00

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

All underlying funds are managed by a related party.

BlackRock Global Equity Fund

Statement of Total Return

for the year ended 28 February 2021

	Notes	£000's	For the year to 28.2.2021 £000's	£000's	For the year to 29.2.2020 £000's
Income					
Net capital gains	3		41,346		4,200
Revenue	4	11,795		15,250	
Expenses	5	(979)		(1,015)	
Interest payable and similar charges	6	–		(1)	
Net revenue before taxation		10,816		14,234	
Taxation	7	–		–	
Net revenue after taxation			10,816		14,234
Total return before distributions			52,162		18,434
Distributions	8		(10,816)		(14,234)
Change in net assets attributable to unitholders from investment activities			41,346		4,200

Statement of Change in Net Assets Attributable to Unitholders

for the year ended 28 February 2021

	£000's	For the year to 28.2.2021 £000's	£000's	For the year to 29.2.2020 £000's
Opening net assets attributable to unitholders			456,187	468,975
Amounts receivable on issue of units	30,555			24,110
Amounts payable on cancellation of units	(62,053)			(54,956)
			(31,498)	(30,846)
Change in net assets attributable to unitholders from investment activities			41,346	4,200
Retained distribution on accumulation units			10,467	13,858
Closing net assets attributable to unitholders			476,502	456,187

BlackRock Global Equity Fund

Balance Sheet

at 28 February 2021

	Notes	28.2.2021 £000's	29.2.2020 £000's
Assets:			
Fixed assets			
– Investment assets		476,505	456,044
Current assets			
– Debtors	9	298	442
– Cash and bank balances		96	73
Total assets		476,899	456,559
Liabilities:			
Creditors			
– Other creditors	10	(397)	(372)
Total liabilities		(397)	(372)
Net assets attributable to unitholders		476,502	456,187

G D Bamping (Director)

M T Zemek (Director)

BlackRock Fund Managers Limited

12 May 2021

BlackRock Global Equity Fund

Notes to Financial Statements

for the year ended 28 February 2021

1. Accounting and Distribution Policies

The accounting and distribution policies are set out on pages 17 to 18.

2. Financial Instruments and Risks

The financial instruments and risks are set out on pages 19 to 30.

3. Net Capital Gains

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
The net capital gains comprise:		
Gains on non-derivative securities	41,347	4,201
Custodian transaction costs	(1)	(1)
Net capital gains	41,346	4,200

Net gains (excluding transaction costs) listed above of £41,347,000 comprise net realised gains of £24,354,000 and net unrealised gains of £16,993,000 (29 February 2020: £4,201,000 comprising net realised gains of £17,182,000 and net unrealised losses of £(12,981,000)). Certain realised gains and losses in the current year were unrealised in the prior year.

4. Revenue

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Equity distributions on CIS holdings	11,119	14,507
Interest distributions on CIS holdings	–	4
Manager's charge rebates	676	739
Total revenue	11,795	15,250

BlackRock Global Equity Fund

Notes to Financial Statements continued

5. Expenses

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Payable to the Manager or associates of the Manager:		
– Annual service charge	–	(15)
– Manager's charge	921	976
	921	961
Other expenses:		
– Audit fee	8	8
– Legal and other professional fees	17	14
– Trustee's fees	33	32
	58	54
Total expenses	979	1,015

6. Interest Payable and Similar Charges

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Interest on bank overdrafts	–	1
Total interest payable and similar charges	–	1

7. Taxation

(a) Analysis of tax charge

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Corporation tax	–	–
Total tax charge [see note 7(b)]	–	–

BlackRock Global Equity Fund

Notes to Financial Statements continued

7. Taxation continued

(b) Factors affecting the tax charge

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

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Net revenue before taxation	10,816	14,234
Corporation tax at 20% (29 February 2020: 20%)	2,163	2,847
Effects of:		
Movement in unrecognised excess management expenses	61	54
Revenue not subject to tax	(2,224)	(2,901)
Total tax charge [see note 7(a)]	-	-

At 28 February 2021, the Fund had surplus management expenses of £1,904,000 (29 February 2020: £1,600,000). It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and, therefore, a deferred tax asset of £381,000 (29 February 2020: £319,000) has not been recognised.

8. Distributions

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Interim distribution	5,055	5,175
Final distribution	5,412	8,683
	10,467	13,858
Add: Amounts deducted on cancellation of units	762	772
Less: Amounts received on issue of units	(413)	(396)
Distributions	10,816	14,234

Details of the interim and final distributions per unit are set out in the tables on page 100.

9. Debtors

	28.2.2021 £000's	29.2.2020 £000's
Accrued Manager's charge rebates	241	210
Amounts receivable for issue of units	56	231
Income tax recoverable	1	1
Total debtors	298	442

BlackRock Global Equity Fund

Notes to Financial Statements continued

10. Other Creditors

	28.2.2021	29.2.2020
	£000's	£000's
Accrued Audit fee	8	7
Accrued Manager's charge	320	228
Accrued Trustee's fee	11	5
Amounts payable for cancellation of units	58	132
Total other creditors	397	372

11. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (29 February 2020: £Nil).

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 28 February 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 to 28 February 2021, PNC Financial Services Group Inc. ("PNC") was a substantial shareholder in BlackRock Inc. PNC did not provide any services to the Fund during the years ended 28 February 2021 and 29 February 2020. On 11 May 2020, PNC announced its intent to sell its investment in BlackRock, Inc. through a registered offering and related buyback by BlackRock.

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.

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.

BlackRock Global Equity Fund

Notes to Financial Statements continued

12. Related Parties continued

As at 28 February 2021 and 29 February 2020, the following 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 28 February 2021:

Total % of units held by Affiliated Funds	Number of investors holding 51% or more of the voting units in issue who are not Affiliated Funds	Total % of units held by unitholders holding 51% or more of the voting units in issue who are not Affiliated Funds
Nil	1	96%

As at 29 February 2020:

Total % of units held by Affiliated Funds	Number of investors holding 51% or more of the voting units in issue who are not Affiliated Funds	Total % of units held by unitholders holding 51% or more of the voting units in issue who are not Affiliated Funds
Nil	1	96%

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 Global Equity Fund

Notes to Financial Statements continued

13. Portfolio Transaction Costs

For the year ended 28 February 2021

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Purchases (excluding derivatives)					
Collective investment schemes	45,408	–	–	–	–
Total purchases	45,408	–	–	–	–
Total purchases including transaction costs	45,408				

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Sales (excluding derivatives)					
Collective investment schemes	77,412	–	–	–	–
Total sales	77,412	–	–	–	–
Total sales net of transaction costs	77,412				
Total transaction costs		–		–	
Total transaction costs as a % of average net assets		0.00%		0.00%	

For the year ended 29 February 2020

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Purchases (excluding derivatives)					
Collective investment schemes	19,295	–	–	–	–
Total purchases	19,295	–	–	–	–
Total purchases including transaction costs	19,295				

	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Sales (excluding derivatives)					
Collective investment schemes	50,836	–	–	–	–
Total sales	50,836	–	–	–	–
Total sales net of transaction costs	50,836				
Total transaction costs		–		–	
Total transaction costs as a % of average net assets		0.00%		0.00%	

BlackRock Global Equity Fund

Notes to Financial Statements continued

13. Portfolio Transaction Costs continued

The above analysis covers any 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.

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 0.35% (29 February 2020: 0.33%).

14. Units in Issue

The movement in units in issue for the year ended 28 February 2021 is as follows:

	I Accumulation Units	D Accumulation Units
Balance at the beginning of the year	167,997,166	393,947
Issued during the year	11,963,078	102,461
Cancelled during the year	(22,646,994)	(124,599)
Balance at the end of the year	157,313,250	371,809

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.

15. Post Balance Sheet Events

There have been no significant events subsequent to the year end, which, in the opinion of the Manager, may have had an impact on the Financial Statements for the year ended 28 February 2021.

BlackRock Institutional UK Focus Fund

About the Fund

The Fund is a sub-fund of BlackRock Non-UCITS Retail Funds (2), a non-UCITS retail scheme under the COLL Sourcebook. The Fund was launched on 30 November 2016 and was authorised by the FCA on 15 August 2016. The Fund's FCA product reference number is 766124.

BlackRock Institutional UK Focus Fund

Performance Record

Comparative Table

	A Income Units			A Accumulation Units		
	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	114.0	107.9	106.5	125.8	115.4	110.3
Return before operating charges	0.31	9.76	4.79	7.06	10.38	5.06
Operating charges	(0.01)	(0.04)	(0.02)	(0.04)	(0.03)	(0.01)
Return after operating charges	0.30	9.72	4.77	7.02	10.35	5.05
Distributions	0.00	(3.60)	(3.41)	(2.57)	(3.85)	(3.53)
Retained distributions on accumulation units	N/A	N/A	N/A	2.57	3.85	3.53
Closing net asset value per unit						
After direct transaction costs of	114.3 [^]	114.0	107.9	132.8 [^]	125.8	115.4
	(0.03)	(0.09)	(0.09)	(0.12)	(0.10)	(0.09)
Performance						
Return after charges ¹	0.26%	9.01%	4.48%	5.58%	8.97%	4.58%
Other information						
Closing net asset value (£000's)	–	4,648	4,397	32,987	31,216	87,111
Closing number of units	–	4,076,234	4,076,234	24,836,760	24,824,116	75,516,065
Operating charges ²	0.03%	0.03%	0.02%	0.03%	0.02%	0.01%
Direct transaction costs ³	0.10%	0.08%	0.08%	0.10%	0.08%	0.08%
Prices						
Highest offer unit price	126.3	134.5	119.6	139.3	143.8	124.0
Lowest bid unit price	83.84	108.8	101.4	92.52	116.3	105.1

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

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

³ Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of equity instruments. See note 12 for further details.

[^] The Net Asset Value immediately prior to this unit class closing on 10 August 2020.

BlackRock Institutional UK Focus Fund

Distribution Tables

for the year ended 28 February 2021

Final Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 March 2020

Group 2 – Units purchased 1 March 2020 to 28 February 2021

	A Income Units		A Accumulation Units	
	Group 1	Group 2	Group 1	Group 2
Net revenue (dividend)	0.0000	0.0000	2.5724	2.2642
Equalisation [†]	–	0.0000	–	0.3082
Distribution paid 30.4.2021	0.0000	0.0000	2.5724	2.5724
Distribution paid 30.4.2020	3.6009	3.6009	3.8491	3.8491

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

BlackRock Institutional UK Focus Fund

Portfolio Statement

at 28 February 2021

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
EQUITIES – 98.34%; 29.2.2020 95.50%			
NETHERLANDS – 0.00%; 29.2.2020 2.73%			
Oil & Gas Producers – 0.00%; 29.2.2020 2.73%			
UNITED KINGDOM – 98.34%; 29.2.2020 92.77%			
Agriculture – 4.19%; 29.2.2020 5.00%			
55,600	British American Tobacco	1,382	4.19
Airlines – 1.34%; 29.2.2020 3.35%			
45,000	easyJet	443	1.34
Banks – 4.76%; 29.2.2020 4.25%			
340,000	Standard Chartered	1,571	4.76
Chemicals – 5.37%; 29.2.2020 2.87%			
58,000	Johnson Matthey	1,772	5.37
Commercial Services – 7.98%; 29.2.2020 9.77%			
155,600	RELX	2,633	7.98
Computers – 1.71%; 29.2.2020 1.50%			
435,000	Serco	565	1.71
Distribution & Wholesale – 7.98%; 29.2.2020 8.61%			
31,200	Ferguson	2,631	7.98
Diversified Financial Services – 8.94%; 29.2.2020 8.80%			
52,000	Hargreaves Lansdown	785	2.38
22,500	London Stock Exchange	2,164	6.56
		2,949	8.94
Food Producers – 1.51%; 29.2.2020 1.87%			
144,300	SSP	497	1.51
Food Services – 7.25%; 29.2.2020 7.52%			
164,300	Compass	2,391	7.25
Healthcare Products – 4.53%; 29.2.2020 4.27%			
107,900	Smith & Nephew	1,495	4.53
Household Products – 6.68%; 29.2.2020 4.83%			
36,700	Reckitt Benckiser	2,202	6.68

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
Internet – 3.36%; 29.2.2020 3.54%			
156,200	Auto Trader	859	2.60
48,300	Trainline ⁰	250	0.76
		1,109	3.36
Investment Companies – 1.30%; 29.2.2020 2.71%			
258,000	Melrose Industries	428	1.30
Mining – 8.69%; 29.2.2020 5.61%			
46,300	Rio Tinto	2,865	8.69
Oil & Gas Producers – 1.22%; 29.2.2020 0.91%			
211,538	Cairn Energy	404	1.22
Pharmaceuticals – 8.08%; 29.2.2020 8.28%			
38,400	AstraZeneca	2,666	8.08
Private Equity – 3.33%; 29.2.2020 0.00%			
99,100	3i	1,097	3.33
Real Estate Investment & Services – 0.00%; 29.2.2020 0.94%			
Real Estate Investment Trusts – 0.98%; 29.2.2020 0.00%			
191,000	Capital & Counties Properties	324	0.98
Retail – 9.14%; 29.2.2020 8.14%			
39,900	Next	3,016	9.14
COLLECTIVE INVESTMENT SCHEMES – 1.56%; 29.2.2020 4.67%			
Short-term Money Market Funds – 1.56%; 29.2.2020 4.67%			
5,136	BlackRock ICS Sterling Liquid Environmentally Aware Fund [†]	514	1.56
Portfolio of investments		32,954	99.90
Net other assets		33	0.10
Total net assets		32,987	100.00

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

⁰ All or a portion of this investment represents a security on loan, see note 2(b) iv) for further details.

[†] Managed by a related party.

BlackRock Institutional UK Focus Fund

Statement of Total Return

for the year ended 28 February 2021

	Notes	£000's	For the year to 28.2.2021 £000's	£000's	For the year to 29.2.2020 £000's
Income					
Net capital gains	3		741		9,109
Revenue	4	678		2,386	
Expenses	5	(10)		(17)	
Net revenue before taxation		668		2,369	
Taxation	6	–		–	
Net revenue after taxation			668		2,369
Total return before distributions			1,409		11,478
Distributions	7		(668)		(2,369)
Change in net assets attributable to unitholders from investment activities			741		9,109

Statement of Change in Net Assets Attributable to Unitholders

for the year ended 28 February 2021

	£000's	For the year to 28.2.2021 £000's	£000's	For the year to 29.2.2020 £000's
Opening net assets attributable to unitholders			35,864	91,508
Amounts receivable on issue of units	39		–	
Amounts payable on cancellation of units	(4,296)		(65,709)	
			(4,257)	(65,709)
Change in net assets attributable to unitholders from investment activities			741	9,109
Retained distribution on accumulation units			639	956
Closing net assets attributable to unitholders			32,987	35,864

BlackRock Institutional UK Focus Fund

Balance Sheet

at 28 February 2021

	Notes	28.2.2021 £000's	29.2.2020 £000's
Assets:			
Fixed assets			
– Investment assets		32,954	35,925
Current assets			
– Debtors	8	57	139
– Cash and bank balances		66	102
Total assets		33,077	36,166
Liabilities:			
Creditors			
– Distributions payable		–	(146)
– Other creditors	9	(90)	(156)
Total liabilities		(90)	(302)
Net assets attributable to unitholders		32,987	35,864

G D Bamping (Director)

M T Zemek (Director)

BlackRock Fund Managers Limited

12 May 2021

BlackRock Institutional UK Focus Fund

Notes to Financial Statements

for the year ended 28 February 2021

1. Accounting and Distribution Policies

The accounting and distribution policies are set out on pages 17 to 18.

2. Financial Instruments and Risks

The financial instruments and risks are set out on pages 19 to 30.

3. Net Capital Gains

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
The net capital gains comprise:		
Gains on non-derivative securities	747	9,106
Currency (losses)/gains	(6)	3
Net capital gains	741	9,109

Net gains listed above of £741,000 comprise net realised gains of £858,000 and net unrealised losses of £(117,000) (29 February 2020: £9,109,000 comprising net unrealised realised gains of £9,297,000 and net unrealised losses of £(188,000). Certain realised gains and losses in the current year were unrealised in the prior year.

4. Revenue

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Interest from UK bank deposits	–	1
Overseas dividends	50	125
Revenue from short-term money market funds	1	11
Securities lending revenue	1	3
UK dividends	626	2,246
Total revenue	678	2,386

5. Expenses

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
– Audit fee	7	9
– Trustee's fees	3	8
Total expenses	10	17

BlackRock Institutional UK Focus Fund

Notes to Financial Statements continued

6. Taxation

(a) Analysis of tax charge

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Corporation tax	–	–
Total tax charge [see note 6(b)]	–	–

(b) Factors affecting the tax charge

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

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Net revenue before taxation	668	2,369
Corporation tax at 20% (29 February 2020: 20%)	133	474
Effects of:		
Movement in unrecognised excess management expenses	2	–
Revenue not subject to tax	(135)	(474)
Total tax charge [see note 6(a)]	–	–

At 28 February 2021, the Fund had surplus management expenses of £61,000 (29 February 2020: £53,000). It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and, therefore, a deferred tax asset of £12,000 (29 February 2020: £10,000) has not been recognised.

7. Distributions

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Final distribution	639	1,102
	639	1,102
Add: Amounts deducted on cancellation of units	29	1,267
Distributions	668	2,369

Details of the interim and final distributions per unit are set out in the tables on page 113.

8. Debtors

	28.2.2021 £000's	29.2.2020 £000's
Accrued revenue	57	139
Total debtors	57	139

BlackRock Institutional UK Focus Fund

Notes to Financial Statements continued

9. Other Creditors

	28.2.2021 £000's	29.2.2020 £000's
Accrued Audit fee	7	7
Accrued Safe custody fees	11	10
Accrued Trustee's fee	1	1
Purchases awaiting settlement	71	138
Total other creditors	90	156

10. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (29 February 2020: £Nil).

11. Related Parties

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

The following entities were related parties of the Fund during the year ended 28 February 2021:

Manager/Registrar:	BlackRock Fund Managers Limited
Investment Manager:	BlackRock Investment Management (UK) Limited
Stock Lending Agent:	BlackRock Advisors (UK) Limited

The ultimate holding company of the Manager, Registrar, Investment Manager and securities lending agent is BlackRock Inc. ("BlackRock"), a company incorporated in Delaware, USA. During the year to 28 February 2021, PNC Financial Services Group Inc. ("PNC") was a substantial shareholder in BlackRock Inc. PNC did not provide any services to the Fund during the years ended 28 February 2021 and 29 February 2020. On 11 May 2020, PNC announced its intent to sell its investment in BlackRock, Inc. through a registered offering and related buyback by BlackRock.

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.

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,

BlackRock Institutional UK Focus Fund

Notes to Financial Statements continued

11. Related Parties continued

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 28 February 2021 and 29 February 2020:

- (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 28 February 2021:

Total % of units held by Affiliated Funds	Number of investors holding 51% or more of the voting units in issue who are not Affiliated Funds	Total % of units held by unitholders holding 51% or more of the voting units in issue who are not Affiliated Funds
Nil	1	77%

As at 29 February 2020:

Total % of units held by Affiliated Funds	Number of investors holding 51% or more of the voting units in issue who are not Affiliated Funds	Total % of units held by unitholders holding 51% or more of the voting units in issue who are not Affiliated Funds
Nil	1	67%

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 Institutional UK Focus Fund

Notes to Financial Statements continued

12. Portfolio Transaction Costs

For the year ended 28 February 2021

Purchases (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	5,220	2	0.04	24	0.46
Total purchases	5,220	2		24	
Total purchases including transaction costs	5,246				

Sales (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	7,723	3	0.04	–	–
Total sales	7,723	3		–	
Total sales net of transaction costs	7,720				
Total transaction costs		5		24	
Total transaction costs as a % of average net assets		0.02%		0.08%	

For the 29 February 2020

Purchases (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	7,450	3	0.04	33	0.44
Total purchases	7,450	3		33	
Total purchases including transaction costs	7,486				

Sales (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Equity instruments	72,351	19	0.03	–	–
Total sales	72,351	19		–	
Total sales net of transaction costs	72,332				
Total transaction costs		22		33	
Total transaction costs as a % of average net assets		0.03%		0.05%	

BlackRock Institutional UK Focus Fund

Notes to Financial Statements continued

12. Portfolio Transaction Costs continued

The above analysis covers any 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.

Separately identifiable direct transaction costs (such as commissions and taxes) are attributable to the Fund's purchase and sale of equity instruments. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be incurred on purchase and sale transactions.

Transactions in money market instruments to manage the Fund's daily liquidity position are excluded from the analysis.

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 0.04% (29 February 2020: 0.06%).

13. Units in Issue

The movement in units in issue for the year ended 28 February 2021 is as follows:

	A Income Units	A Accumulation Units
Balance at the beginning of the year	4,076,234	24,824,116
Issued during the year	892	34,494
Cancelled during the year	(4,077,126)	(21,850)
Balance at the end of the year	–	24,836,760

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.

14. Post Balance Sheet Events

There have been no significant events subsequent to the year end, which, in the opinion of the Manager, may have had an impact on the Financial Statements for the year ended 28 February 2021.

BlackRock Overseas Equity Fund

About the Fund

The Fund was formerly established as a sub-fund of BlackRock Qualified Investors Schemes, a qualified investor scheme under the COLL Sourcebook. The Fund was established and authorised by the FCA on 21 June 2005. The Fund was previously known as Merrill Lynch Overseas Equity Fund. It adopted its present name with effect from 28 April 2008. The Fund became a sub-fund of the BlackRock Non-UCITS Retail Funds (2) on 13 July 2012. It is a non-UCITS retail scheme established under the COLL Sourcebook. The Fund's FCA product reference number is 643959.

BlackRock Overseas Equity Fund

Performance Record

Comparative Table

	I Accumulation Units		
	For the year to 28.2.2021	For the year to 29.2.2020	For the year to 28.2.2019
	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit			
Opening net asset value per unit	337.9	308.9	299.1
Return before operating charges	68.90	29.71	10.50
Operating charges	(0.82)	(0.76)	(0.68)
Return after operating charges	68.08	28.95	9.82
Distributions	(5.38)	(5.70)	(4.84)
Retained distributions on accumulation units	5.38	5.70	4.84
Closing net asset value per unit	406.0	337.9	308.9
After direct transaction costs of	0.00	0.00	0.00
Performance			
Return after charges ¹	20.15%	9.37%	3.28%
Other information			
Closing net asset value (£000's)	2,233,288	2,044,766	1,508,078
Closing number of units	550,097,310	605,229,883	488,172,885
Operating charges ²	0.22%	0.22%	0.22%
Direct transaction costs ³	0.00%	0.00%	0.00%
Prices			
Highest offer unit price	426.7	379.5	331.4
Lowest bid unit price	282.4	308.8	279.8

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

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

³ Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of collective investment schemes. See note 13 for further details.

BlackRock Overseas Equity Fund

Distribution Tables

for the year ended 28 February 2021

Final Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 September 2020

Group 2 – Units purchased 1 September 2020 to 28 February 2021

	I Accumulation Units	
	Group 1	Group 2
Net revenue (dividend)	3.0758	0.0000
Equalisation [†]	–	3.0758
Distribution paid 30.4.2021	3.0758	3.0758
Distribution paid 30.4.2020	3.5861	3.5861

Interim Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 March 2020

Group 2 – Units purchased 1 March 2020 to 31 August 2020

	I Accumulation Units	
	Group 1	Group 2
Net revenue (dividend)	2.2998	0.0000
Equalisation [†]	–	2.2998
Distribution paid 31.10.2020	2.2998	2.2998
Distribution paid 31.10.2019	2.1114	2.1114

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

BlackRock Overseas Equity Fund

Portfolio Statement

at 28 February 2021

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
COLLECTIVE INVESTMENT SCHEMES – 100.01%; 29.2.2020 99.99%			
Equity Funds – 100.01%; 29.2.2020 99.99%			
119,253,388	iShares Continental European Equity Index Fund UK	339,276	15.19
73,938,624	iShares Japan Equity Index Fund UK	189,283	8.48
154,353,540	iShares North American Equity Index Fund UK	751,856	33.67
48,184,361	iShares Pacific ex Japan Equity Index Fund UK	201,507	9.02

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
204,628,450	iShares US Equity Index Fund UK	751,600	33.65
		2,233,522	100.01
Portfolio of investments		2,233,522	100.01
Net other liabilities		(234)	(0.01)
Total net assets		2,233,288	100.00

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

All underlying funds are managed by a related party.

BlackRock Overseas Equity Fund

Statement of Total Return

for the year ended 28 February 2021

	Notes	£000's	For the year to 28.2.2021 £000's	£000's	For the year to 29.2.2020 £000's
Income					
Net capital gains	3		406,579		105,983
Revenue	4	38,151		33,336	
Expenses	5	(4,887)		(3,911)	
Interest payable and similar charges	6	(2)		(2)	
Net revenue before taxation		33,262		29,423	
Taxation	7	–		–	
Net revenue after taxation			33,262		29,423
Total return before distributions			439,841		135,406
Distributions	8		(33,262)		(29,423)
Change in net assets attributable to unitholders from investment activities			406,579		105,983

Statement of Change in Net Assets Attributable to Unitholders

for the year ended 28 February 2021

	£000's	For the year to 28.2.2021 £000's	£000's	For the year to 29.2.2020 £000's
Opening net assets attributable to unitholders		2,044,766		1,508,078
Amounts receivable on issue of units	533,655		560,109	
Amounts payable on cancellation of units	(783,169)		(162,531)	
		(249,514)		397,578
Change in net assets attributable to unitholders from investment activities		406,579		105,983
Retained distribution on accumulation units		31,457		33,127
Closing net assets attributable to unitholders		2,233,288		2,044,766

BlackRock Overseas Equity Fund

Balance Sheet

at 28 February 2021

	Notes	28.2.2021 £000's	29.2.2020 £000's
Assets:			
Fixed assets			
– Investment assets		2,233,522	2,044,608
Current assets			
– Debtors	9	1,458	13,184
– Cash and bank balances		189	324
Total assets		2,235,169	2,058,116
Liabilities:			
Creditors			
– Other creditors	10	(1,881)	(13,350)
Total liabilities		(1,881)	(13,350)
Net assets attributable to unitholders		2,233,288	2,044,766

G D Bamping (Director)

M T Zemek (Director)

BlackRock Fund Managers Limited

12 May 2021

BlackRock Overseas Equity Fund

Notes to Financial Statements

for the year ended 28 February 2021

1. Accounting and Distribution Policies

The accounting and distribution policies are set out on pages 17 to 18.

2. Financial Instruments and Risks

The financial instruments and risks are set out on pages 19 to 30.

3. Net Capital Gains

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
The net capital gains comprise:		
Gains on non-derivative securities	406,580	105,984
Custodian transaction costs	(1)	(1)
Net capital gains	406,579	105,983

Net gains listed above of £406,580,000 comprise net realised gains of £131,886,000 and net unrealised gains of £274,694,000 (29 February 2020: £105,984,000 comprising net realised gains of £24,602,000 and net unrealised gains of £81,382,000). Certain realised gains and losses in the current year were unrealised in the prior year.

4. Revenue

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Equity distributions on CIS holdings	34,771	30,516
Interest from UK bank deposits	–	1
Manager's charge rebates	3,380	2,819
Total revenue	38,151	33,336

BlackRock Overseas Equity Fund

Notes to Financial Statements continued

5. Expenses

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Payable to the Manager or associates of the Manager:		
– Manager's charge	4,733	3,778
	4,733	3,778
Other expenses:		
– Audit fee	8	8
– Legal and other professional fees	5	–
– Trustee's fees	141	125
	154	133
Total expenses	4,887	3,911

6. Interest Payable and Similar Charges

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Interest on bank overdrafts	2	2
Total interest payable and similar charges	2	2

7. Taxation

(a) Analysis of tax charge

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Corporation tax	–	–
Total tax charge [see note 7(b)]	–	–

BlackRock Overseas Equity Fund

Notes to Financial Statements continued

7. Taxation continued

(b) Factors affecting the tax charge

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

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Net revenue before taxation	33,262	29,423
Corporation tax at 20% (29 February 2020: 20%)	6,652	5,885
Effects of:		
Movement in unrecognised excess management expenses	302	218
Revenue not subject to tax	(6,954)	(6,103)
Total tax charge [see note 7(a)]	–	–

At 28 February 2021, the Fund had surplus management expenses of £3,950,000 (29 February 2020: £2,441,000). It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and, therefore, a deferred tax asset of £790,000 (29 February 2020: 488,000) has not been recognised.

8. Distributions

	For the year to 28.2.2021 £000's	For the year to 29.2.2020 £000's
Interim distribution	14,537	11,423
Final distribution	16,920	21,704
	31,457	33,127
Add: Amounts deducted on cancellation of units	5,978	1,382
Less: Amounts received on issue of units	(4,173)	(5,086)
Distributions	33,262	29,423

Details of the interim and final distributions per unit are set out in the tables on page 125.

9. Debtors

	28.2.2021 £000's	29.2.2020 £000's
Accrued Manager's charge rebates	1,246	847
Amounts receivable for issue of units	212	12,337
Total debtors	1,458	13,184

BlackRock Overseas Equity Fund

Notes to Financial Statements continued

10. Other Creditors

	28.2.2021	29.2.2020
	£000's	£000's
Accrued Audit fee	8	7
Accrued Manager's charge	1,707	970
Accrued Trustee's fee	48	20
Amounts payable for cancellation of units	118	–
Purchases awaiting settlement	–	12,353
Total other creditors	1,881	13,350

11. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (29 February 2020: £Nil).

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 28 February 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 to 28 February 2021, PNC Financial Services Group Inc. ("PNC") was a substantial shareholder in BlackRock Inc. PNC did not provide any services to the Fund during the years ended 28 February 2021 and 29 February 2020. On 11 May 2020, PNC announced its intent to sell its investment in BlackRock, Inc. through a registered offering and related buyback by BlackRock.

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.

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,

BlackRock Overseas Equity Fund

Notes to Financial Statements continued

12. Related Parties continued

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 28 February 2021 and 29 February 2020, the following 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 28 February 2021:

Total % of units held by Affiliated Funds	Number of investors holding 51% or more of the voting units in issue who are not Affiliated Funds	Total % of units held by unitholders holding 51% or more of the voting units in issue who are not Affiliated Funds
Nil	1	99%

As at 29 February 2020:

Total % of units held by Affiliated Funds	Number of investors holding 51% or more of the voting units in issue who are not Affiliated Funds	Total % of units held by unitholders holding 51% or more of the voting units in issue who are not Affiliated Funds
Nil	1	99%

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 Overseas Equity Fund

Notes to Financial Statements continued

13. Portfolio Transaction Costs

For the year ended 28 February 2021

Purchases (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Collective investment schemes	515,548	–	–	–	–
Total purchases	515,548	–	–	–	–
Total purchases including transaction costs	515,548				

Sales (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Collective investment schemes	767,985	–	–	–	–
Total sales	767,985	–	–	–	–
Total sales net of transaction costs	767,985				
Total transaction costs		–		–	
Total transaction costs as a % of average net assets		0.00%		0.00%	

For the year ended 29 February 2020

Purchases (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Collective investment schemes	558,096	–	–	–	–
Total purchases	558,096	–	–	–	–
Total purchases including transaction costs	558,096				

Sales (excluding derivatives)	Direct Transaction Costs				
	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Collective investment schemes	156,769	–	–	–	–
Total sales	156,769	–	–	–	–
Total sales net of transaction costs	156,769				
Total transaction costs		–		–	
Total transaction costs as a % of average net assets		0.00%		0.00%	

BlackRock Overseas Equity Fund

Notes to Financial Statements continued

13. Portfolio Transaction Costs continued

The above analysis covers any 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.

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 0.17% (29 February 2020: 0.15%).

14. Units in Issue

The movement in units in issue for the year ended 28 February 2021 is as follows:

	I Accumulation Units
Balance at the beginning of the year	605,229,883
Issued during the year	153,069,628
Cancelled during the year	(208,202,201)
Balance at the end of the year	550,097,310

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.

15. Post Balance Sheet Events

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

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.

Report of the Trustee

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

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust's units and the application of the Trust's revenue in accordance with the Sourcebook, FUND, the Trust Deed and Prospectus, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Trust.

The Bank of New York Mellon
(International) Limited

London
12 May 2021

Independent Auditor's Report to the Unitholders of BlackRock Non-UCITS Retail Funds (2)

Opinion

We have audited the financial statements of BlackRock Non-UCITS Retail Funds (2) ("the Trust") for the year ended 28 February 2021, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, the Balance Sheet, the related notes and the Distribution Tables for each of the sub-funds, and the accounting and distribution policies of the Trust set out on pages 17 to 18, 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 Trust comprising each of its sub-funds as at 28 February 2021 and of the net revenue or expense and the net capital gains or losses on the scheme property of the Trust comprising each of its sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Trust 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 Trust'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 Trust'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's 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 Instrument of Incorporation; 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, in our opinion:

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

Responsibilities of the Manager

As explained more fully in the Manager's responsibilities statement set out on page 136, 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 Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.



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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 Trust 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 Trust Deed and the Prospectus.
- We understood how the Trust is complying with those frameworks through discussions with the Manager and the Trust's administrator. We corroborated our enquiries through our inspection of Board minutes and a review of the Trust's documented policies and procedures.
- We assessed the susceptibility of the Trust'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. Our procedures involved journal entry testing by specific risk criteria, with a focus on manual top side financial statement adjustments and journals indicating large or unusual transactions based on our understanding of the business. We tested the appropriateness of management's classification of material special dividends as either a capital or revenue return. We incorporated unpredictability into the nature, timing and extent of our testing.
- 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 by 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 Trust.
- Due to the regulated nature of the Trust, 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.



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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.

Use of our report

This report is made solely to the Trust'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 Trust'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 Trust and the Trust's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Statutory Auditor

London
13 May 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, such as repurchase / reverse repurchase transactions ("repo transactions") and securities lending.

Securities Lending

The following table details the value of securities on loan as a proportion of the BlackRock Institutional UK Focus Fund's total lendable assets and NAV as at 28 February 2021. Total lendable assets represents the aggregate value of assets forming part of the Fund's securities lending programme. This excludes any assets held by the Fund that are not considered lendable due to any market, regulatory, investment or other restriction.

Fund	Securities on loan	
	% of lendable assets	% of NAV
BlackRock Institutional UK Focus Fund	0.50	0.47

Only the BlackRock BlackRock Institutional UK Focus Fund had securities on loan and related collateral outstanding as at 28 February 2021.

The total income earned from securities lending transactions is split between the Fund and the Securities Lending Agent. The Fund receives 62.5% while the Securities Lending Agent receives 37.5% of such income, with all operational costs borne out of the Securities Lending Agent's share. Income earned during the year by the Fund from securities lending transactions is disclosed in the Fund's notes to the financial statements.

The value of securities on loan and associated collateral analysed by counterparty, as at 28 February 2021, is disclosed in the notes to the financial statements.

All securities on loan have an open maturity tenor as they are callable or terminable on a daily basis.

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.

Supplementary Information continued

The following table provides an analysis by currency of the cash and underlying non-cash collateral received by way of title transfer collateral arrangement by the Funds, in respect of securities lending transactions, as at 28 February 2021.

Currency	Cash collateral received	Cash collateral posted	Non-cash collateral received	Non-cash collateral posted
BlackRock Institutional UK Focus Fund	£000's	£000's	£000's	£000's
Securities lending transactions				
AUD	–	–	7	–
CHF	–	–	3	–
DKK	–	–	12	–
EUR	–	–	69	–
GBP	–	–	2	–
JPY	–	–	25	–
SGD	–	–	2	–
USD	–	–	51	–
Total	–	–	171	–

The Fund is the legal owner of inbound collateral and can sell the assets and withhold the cash in the case of default.

Non-cash collateral received by way of title transfer collateral arrangement in relation to securities lending transactions cannot be sold, re-invested or pledged.

The following table provides an analysis of the type, quality and maturity tenor of non-cash collateral received by the Fund by way of title transfer collateral arrangement in respect of securities lending transactions, as at 28 February 2021.

Fund	Maturity Tenor					Open transactions	Total
	1 - 7 days	8 - 30 days	31 - 90 days	91 - 365 days	More than 365 days		
BlackRock Institutional UK Focus Fund	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Collateral received - securities lending							
Fixed income							
Investment grade	–	–	15	1	35	–	51
Equities							
Recognised equity index	–	–	–	–	–	120	120
Total	–	–	15	1	35	120	171

Investment grade securities are those issued by an entity with a minimum investment grade credit rating from at least one globally recognised credit rating agency; Standard & Poor's, Moody's or Fitch.

Supplementary Information continued

A recognised equity index contains at least 20 equities where no single equity represents more than 20% of the total index and no five equities combined represent more than 60% of the total index.

The maturity tenor analysis for fixed income securities received as collateral is based on the respective contractual maturity date, while for equity securities and ETFs received as collateral are presented as open transactions as they are not subject to a contractual maturity date.

As at 28 February 2021, all non-cash collateral received by the Fund in respect of securities lending transactions is held by the Fund's Trustee (or through its delegates).

The following table lists the top ten issuers (or all the issuers if less than ten) of non-cash collateral received by the Fund by way of the title transfer collateral arrangement across securities lending transactions and OTC FDIs as at 28 February 2021.

Fund	Value	% of the Fund's NAV
BlackRock Institutional UK Focus Fund	£000's	
Citigroup Global Markets Limited	171	0.52
Total	171	0.52

No securities collateral received from a single issuer, in relation to efficient portfolio management, has exceeded 20% of the Fund's NAV at the year end date.

The Fund has not been fully collateralised in securities issued or guaranteed by an EU member state at the year end 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 31 March 2021, the firm manages £6.34 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. Through BlackRock Solutions, the Firm provides risk management and enterprise investment services for over 200 clients.

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