BlackRock

Annual report and audited financial statements

BlackRock Cash Fund

For the financial year ended 29 February 2024

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General Information

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

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

Directors of the Manager
G D Bamping*
S Corrigall (Resigned 2 May 2023)
W I Cullen*
D Edgar
T S Hale (Appointed 16 April 2024)
K Henry (Appointed 3 March 2023 and resigned 24 January 2024)
A M Lawrence
H N Mepham
S Sabin (Appointed 18 August 2023)
M T Zemek*

Trustee & Custodian
The Bank of New York Mellon (International) Limited
160 Queen Victoria Street, London EC4V 4LA

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

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

Authorised and regulated by the FCA.

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

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

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

* Non-executive Director.

About the Fund

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

Assessment of value

The FCA requires UK fund managers to complete an annual assessment of whether their UK authorised funds provide value for investors. Our assessment considers fund and unit class level performance, costs and charges, and service quality, concluding with an evaluation of whether investors receive value. BlackRock has fulfilled its obligations for the reporting requirement, including assessing relevant charges, and published the annual assessment of value statements on the BlackRock website on 30 October 2023 in a composite report for all funds managed by BlackRock Fund Managers Limited subject to these requirements.

Fund Manager

As at 29 February 2024, the Fund Manager was Matt Clay.

Significant Events

Changes in the Directors of the Manager

K Henry was appointed as a Director effective 3 March 2023 and resigned as a Director effective 24 January 2024.

S Corrigall resigned as a Director effective 2 May 2023.

S Sabin was appointed as a Director effective 18 August 2023.

Subsequent Events

Changes in the Directors of the Manager

T S Hale was appointed as a Director effective 16 April 2024.

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 29 February 2024.

Risk and Reward Profile

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

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

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

Investment Manager's Report

for the year ended 29 February 2024

Investment Objective

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

Comparator benchmark	Investment management approach
Sterling Overnight Index Average Rate (SONIA)	Active

Performance Summary

The following table compares the Fund's realised performance against the performance of the comparator benchmark during the financial year ended 29 February 2024.

	Fund return %	Comparator benchmark %
Class D Accumulation Units	4.88	4.99

Further information on the performance measures and calculation methodologies used is detailed below:

- Fund returns shown, calculated net of fees, are the performance returns for the primary unit class of the Fund which has been selected as a representative unit class. The primary unit class represents the class of unit which is the highest charging unit class, free of any commissions or rebates, and is freely available. Performance returns for any other unit class can be made available on request.
- Fund returns are based on the NAV per unit as at close of business for reporting purposes only, for the purpose of fair comparison and presentation with the comparator benchmark close of business valuation point.
- Due to the Financial Reporting Standard 102 ("FRS 102") and the Statement of Recommended Practice for Authorised Funds ("SORP") requirements, including the accounting policy for the valuation point at 12 noon, there may be differences between the NAV per unit as recorded in the financial statements and the NAV per unit calculated in accordance with the Prospectus.

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

Global Economic Overview

Global equities, as represented by the MSCI All Country World Index, returned 17.86% (in GBP terms) during the twelve months ended 29 February 2024. Equities gained significantly amid cooling inflation (the rate of increase in the prices of goods and services) and investor optimism about the slowing pace of monetary policy tightening from the world's largest central banks. However, rising geopolitical tensions during the latter half of the twelve-month period, including the war between Israel and Hamas and attacks on Red Sea shipping lanes, raised the prospect of disruptions to the global economy.

Investment Manager's Report continued

In the US, the economy was robust throughout the period, posting stronger growth than other developed nations, as both consumer and public spending continued to rise. While several prominent US regional banks failed in the spring of 2023, prompt government action limited the impact on the wider economy. The US jobs market remained strong, and unemployment stayed under 4%, despite an uptick near the end of the twelve-month period. The Japanese economy contracted sharply in the third quarter of 2023 amid a decline in private consumption and capital expenditure before rebounding to modest growth in the fourth quarter. The UK economy was stagnant, contracting slightly in the last half of 2023, as exports weakened and consumer spending stalled. In the Eurozone, growth stalled in the third quarter as high interest rates continued to weigh on the region's economy, although it returned to marginal growth in the fourth quarter. UBS's takeover of the failed Credit Suisse at the behest of regulators stabilised markets.

Most emerging market nations continued to expand, although volatile commodity prices and the high interest rate environment presented significant economic challenges. The Chinese economy continued to grow amid significant government stimulus, although falling consumer prices raised concerns about deflation (the rate of decrease in prices of goods and services). The Indian economy grew at a robust pace, helped by strength in manufacturing and rebounding exports.

The world's largest central banks shifted from monetary policy tightening to a more neutral stance during the twelve-month period. The US Federal Reserve ("the Fed") raised interest rates three times but indicated that further rate hikes were unlikely. The Fed also continued to reduce some of the accumulated bond holdings on its balance sheet. The Bank of England ("BoE") raised interest rates four times during the twelve-month period, although it held rates steady following its August 2023 meeting. Similarly, the European Central Bank ("ECB") declined to raise interest rates at its final four meetings of the period, following five prior increases.

Global equity performance was significantly positive during the twelve-month period, as the global economy averted concerns about a possible recession, despite rapidly changing economic and credit conditions. Subsiding inflation, and the slower pace of the Fed's interest rate increases, drove hopes that the current cycle of monetary policy tightening was finished. Globally, bonds and equities that factor in companies' environmental, social and governance ("ESG") characteristics faced regulatory concerns and shifting investor sentiment. ESG funds experienced positive but declining inflows overall in the first three quarters of 2023, followed by net outflows in the fourth quarter, due primarily to withdrawals by US investors.

Yields (which move inversely to prices) on the 10-year US Treasury, a benchmark lending rate for the global bond market, rose slightly amid significant volatility. The yield curve, which measures the difference between yields at different maturity levels, remained inverted, such that shorter-maturity yields were higher than longer-maturity yields, a signal that investors were concerned about slowing economic growth. The downgrading of the US government debt by a major ratings company highlighted growing debt-servicing costs. In the UK, gilt prices rose slightly as investors reacted favourably to the BoE's shifting monetary policy. Similarly, European government bonds gained overall, as the ECB's interest rate-hike pauses drove a late-period rally. However, the Japanese government adjusted its yield cap for the 10-year government bonds, leading to a sharp increase in the yields for those bonds, while substantial purchases from the Bank of Japan subsequently drove fluctuating prices.

Global corporate bonds (debt securities issued by companies) posted strong gains overall, as investors reassessed credit in light of decelerating inflation. Higher bond yields attracted investors, and continued resilience in the global economy alleviated credit concerns, particularly for high-yield bonds.

Equities in emerging markets also gained, benefiting from the relatively stable global economic environment and the respite from tighter monetary policy. As concerns about a possible recession diminished, some investors rotated back into emerging market equities, boosting prices. Emerging market bonds posted a positive return overall as investors reacted to less restrictive monetary policy in the developed nations that drove global growth.

The commodities markets stabilised following the turmoil of 2022, although rising geopolitical tensions late in the period raised the prospect of further disruption. Brent crude oil prices were nearly flat, as energy markets stabilised and global oil production increased, particularly in the US. Natural gas prices stabilised, as production increased and additional liquefied natural gas facilities came online. Gold prices rose significantly amid elevated inflation, a stronger US dollar and the end of Fed interest rate increases.

In the foreign exchange markets, the US dollar's performance was mixed against other major global currencies. The US dollar gained against the Japanese yen and Chinese yuan but declined relative to the euro and sterling. The Fed ended its interest rate hikes before the ECB and BoE, which helped drive the increase in the relative value of the euro and sterling.

Fund Performance Review and Activity

Over the financial year to 29 February 2024, the Fund's performance return was 4.88% and the active return was (0.11%), underperforming its comparator benchmark which returned 4.99% (active return is the difference between the Fund's return and the comparator benchmark return).

There was a notable trend of investors moving their assets into cash and cash equivalents, with money market fund assets reaching a record high. This was interpreted as a positive sign, historically aligning with market lows and preceding recovery. Throughout 2023, the UK short-term rates market underwent a significant evolution. In the early months, there was speculation about interest rates potentially rising up to 4.75% due to high inflation expectations. The Bank of England's ("BoE") policy rate played a crucial role in setting the tone for other interest rates, including mortgage and lending rates. By mid-2023, the BoE raised the interest rate to 5.25% from 0.1% since December 2021. This move was in response to persistent high inflation, which remained a significant challenge despite falling from a peak of 11.0% in 2022 to 4.6% in October 2023.

Business confidence varied significantly across sectors, with the construction sector facing challenges due to rising interest rates and input costs, while the transport and storage sectors benefitted from increased demand for leisure travel. Overall economic growth was modest. UK gross domestic product ("GDP") is estimated to have shown no growth in the third quarter (July to Sept) of 2023. Towards the end of the year, the BoE maintained the interest rate at 5.25% for November, focusing on bringing inflation back to the 2% target. The bank's approach reflected its commitment to stabilising prices and curbing inflation. As the year progressed, there were growing signs that interest rates might have peaked, with an increasing likelihood of interest rate cuts in the future. This was in response to the weakening economic outlook and the risk of a recession by mid-2024.

In 2023, the strategic landscape of the Fund was not only shaped by the changing dynamics of rate hike expectations, economic indicators, and central bank policies but also significantly influenced by a focused diversification strategy. The year began with an emphasis on anticipating shifts in the Monetary Policy Committee's ("MPC") approach to rate hikes, set against a backdrop of stable Sterling and successful gilt operations by the BoE. Economic data during this period presented a diverse spectrum, with robust GDP and labour market figures contrasted against fluctuating inflation rates and consumer confidence levels. In response, the Fund adopted a cautious approach, gradually adding duration (sensitivity to long term interest rate movements) while simultaneously diversifying its portfolio to mitigate risks associated with market volatility.

Investment Manager's Report continued

As the year unfolded, the Fund's strategy continued to adapt to the evolving economic landscape. The MPC's February decision for a 50 basis points rate hike, coupled with lower interest rates, initially lowered rate hike expectations. However, unexpectedly strong economic data later led to an upward revision of these expectations. The Fund's strategy evolved in response, maintaining a cautious stance but subtly extending investment duration. Concurrently, the Fund diversified across different asset classes and sectors, enhancing its resilience to market shifts and providing a balanced exposure to various economic conditions.

In the second quarter of 2023, the Fund faced a predominantly high interest rate economic environment, particularly in terms of labour and inflation The strategy in this period balanced caution with selective duration extension in high-quality short-term investments, while diversification efforts focused on expanding into assets that offered stability and potential growth in a high-inflation scenario.

The narrative in the third quarter of 2023 was marked by significant fluctuations in rate hike expectations and a steady, restrictive stance from the BoE. Unexpected developments in inflation data prompted a pause in rate hikes during the September MPC meeting. The Fund responded by adjusting its strategy, after reducing the Weighted Average Maturity ("WAM") to approx. 27 days in July 2023 to increase its WAM to finish at 55 days in February 2024.

Performance Attribution is not deemed an appropriate measure for comparison for money market funds due to the nature of the investment objective. The Fund focuses its investment decisions on preservation of capital and liquidity with yield as a tertiary objective. Therefore, analysing the contributors and detractors of the Fund on an asset class basis does not give a useful insight to drive portfolio investment decision making.

The following table details the significant portfolio weightings at 29 February 2024 and 28 February 2023:

29 February 2024		28 February 2023	
Asset Class	**Gross Exposure**	**Asset Class**	**Gross Exposure**
Certificate of Deposit	34.80%	Certificate of Deposit	27.90%
Other Instrument (Time Deposit)	23.70%	Financial Company Commercial Paper	24.70%
Financial Company Commercial Paper	20.40%	Other Instrument (Time Deposit)	24.20%
Other Note	8.10%	Asset Backed Commercial Paper	11.50%
Asset Backed Commercial Paper	6.40%	Investment Company	4.20%

Performance Record

Comparative Table

	A Income Units			A Accumulation Units		
	For the year to 29.2.2024	For the year to 28.2.2023	For the year to 28.2.2022	For the year to 29.2.2024	For the year to 28.2.2023	For the year to 28.2.2022
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	100.5	100.6	100.7	242.3	238.5	238.7
Return before operating charges	4.95	2.00	0.05	12.09	4.77	0.17
Operating charges	(0.25)	(0.40)	(0.16)	(0.62)	(0.96)	(0.38)
Return after operating charges	4.70	1.60	(0.11)	11.47	3.81	(0.21)
Distributions	(4.64)	(1.67)	0.00	(11.38)	(3.98)	0.00
Retained distributions on accumulation units	N/A	N/A	N/A	11.38	3.98	N/A
Closing net asset value per unit	100.6	100.5	100.6	253.8	242.3	238.5
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges[1]	4.68%	1.59%	(0.11)%	4.73%	1.60%	(0.09)%
Other information						
Closing net asset value (£000's)	5,146	5,653	6,975	237,588	248,645	231,281
Closing number of units	5,117,039	5,623,482	6,934,278	93,624,251	102,613,672	96,977,750
Operating charges[2]	0.25%	0.40%	0.16%	0.25%	0.40%	0.16%
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	101.8	101.3	100.7	253.8	242.3	238.6
Lowest bid unit price	100.5	100.5	100.6	242.3	238.5	238.5

[1] The return after charges figures are based on the net asset value reported for financial statements purposes prepared under UK GAAP and SORP requirements and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on close of business prices.

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

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

Performance Record continued

Comparative Table continued

	X Income Units			X Accumulation Units		
	For the year to 29.2.2024	For the year to 28.2.2023	For the year to 28.2.2022	For the year to 29.2.2024	For the year to 28.2.2023	For the year to 28.2.2022
	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	99.91	99.97	100.0	105.2	103.1	103.0
Return before operating charges	5.02	2.00	0.13	5.35	2.07	0.11
Operating charges	(0.02)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Return after operating charges	5.00	1.99	0.12	5.34	2.06	0.10
Distributions	(4.97)	(2.05)	(0.15)	(5.35)	(2.13)	(0.15)
Retained distributions on accumulation units	N/A	N/A	N/A	5.35	2.13	0.15
Closing net asset value per unit	99.94	99.91	99.97	110.5	105.2	103.1
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges[1]	5.00%	1.99%	0.12%	5.08%	2.00%	0.10%
Other information						
Closing net asset value (£000's)	131	12,580	66,323	196,577	236,870	252,834
Closing number of units	131,487	12,591,744	66,341,325	177,834,391	225,248,568	245,238,843
Operating charges[2]	0.02%	0.01%	0.01%	0.01%	0.01%	0.01%
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	101.3	100.8	100.1	110.5	105.2	103.1
Lowest bid unit price	99.87	99.90	100.0	105.2	103.1	103.0

[1] The return after charges figures are based on the net asset value reported for financial statements purposes prepared under UK GAAP and SORP requirements and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on close of business prices.

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

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

Performance Record continued

Comparative Table continued

	D Income Units			D Accumulation Units		
	For the year to 29.2.2024	For the year to 28.2.2023	For the year to 28.2.2022	For the year to 29.2.2024	For the year to 28.2.2023	For the year to 28.2.2022
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	100.5	100.5	100.6	246.6	242.3	242.5
Return before operating charges	5.00	2.04	0.10	12.56	4.90	0.20
Operating charges	(0.21)	(0.24)	(0.15)	(0.50)	(0.58)	(0.36)
Return after operating charges	4.79	1.80	(0.05)	12.06	4.32	(0.16)
Distributions	(4.79)	(1.83)	(0.01)	(11.96)	(4.44)	(0.02)
Retained distributions on accumulation units	N/A	N/A	N/A	11.96	4.44	0.02
Closing net asset value per unit	100.5	100.5	100.5	258.7	246.6	242.3
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges[1]	4.77%	1.79%	(0.05)%	4.89%	1.78%	(0.06)%
Other information						
Closing net asset value (£000's)	45,743	59,526	16,767	282,741	158,566	107,081
Closing number of units	45,513,401	59,244,834	16,677,295	109,310,624	64,294,521	44,185,546
Operating charges[2]	0.21%	0.24%	0.15%	0.20%	0.24%	0.15%
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	101.8	101.3	100.6	258.7	246.6	242.5
Lowest bid unit price	100.4	100.5	100.5	246.6	242.3	242.3

1 The return after charges figures are based on the net asset value reported for financial statements purposes prepared under UK GAAP and SORP requirements and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on close of business prices.

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

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

Performance Record continued

Comparative Table continued

	S Income Units			S Accumulation Units		
	For the year to 29.2.2024	For the year to 28.2.2023	For the year to 28.2.2022	For the year to 29.2.2024	For the year to 28.2.2023	For the year to 28.2.2022
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	100.1	100.1	100.2	103.4	101.6	101.6
Return before operating charges	4.95	2.02	0.08	5.27	2.00	0.11
Operating charges	(0.15)	(0.19)	(0.15)	(0.16)	(0.19)	(0.15)
Return after operating charges	4.80	1.83	(0.07)	5.11	1.81	(0.04)
Distributions	(4.82)	(1.88)	(0.01)	(5.07)	(1.91)	(0.01)
Retained distributions on accumulation units	N/A	N/A	N/A	5.07	1.91	0.01
Closing net asset value per unit	100.1	100.1	100.1	108.5	103.4	101.6
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges[1]	4.80%	1.83%	(0.07)%	4.94%	1.78%	(0.04)%
Other information						
Closing net asset value (£000's)	6,399	9,622	2,719	55,300	45,151	30,248
Closing number of units	6,394,017	9,616,361	2,715,772	50,963,419	43,663,234	29,783,134
Operating charges[2]	0.15%	0.19%	0.15%	0.15%	0.19%	0.15%
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	106.5	105.9	105.2	113.9	108.6	106.7
Lowest bid unit price	100.0	100.0	100.1	103.4	101.6	101.5

[1] The return after charges figures are based on the net asset value reported for financial statements purposes prepared under UK GAAP and SORP requirements and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on close of business prices.

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

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

Performance Record continued

Comparative Table continued

	OA Income Units			OA Accumulation Units		
	For the year to 29.2.2024	For the year to 28.2.2023	For the year to 28.2.2022	For the year to 29.2.2024	For the year to 28.2.2023	For the year to 28.2.2022
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	100.1	100.1	100.1	103.2	101.0	101.0
Return before operating charges	4.53	2.52	0.38	4.84	2.51	0.39
Operating charges	(0.26)	(0.36)	(0.41)	(0.26)	(0.36)	(0.41)
Return after operating charges	4.27	2.16	(0.03)	4.58	2.15	(0.02)
Distributions	(4.54)	(2.12)	0.00	(5.37)	(2.12)	0.00
Retained distributions on accumulation units	N/A	N/A	N/A	5.37	2.12	N/A
Closing net asset value per unit	99.83	100.1	100.1	107.8	103.2	101.0
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges[1]	4.27%	2.16%	(0.03)%	4.44%	2.13%	(0.02)%
Other information						
Closing net asset value (£000's)	–	78	–	3	–	–
Closing number of units	100	78,317	100	2,800	100	100
Operating charges[2]	0.26%	0.36%	0.41%	0.25%	0.35%	0.41%
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	106.2	106.1	105.1	113.2	108.3	106.0
Lowest bid unit price	99.91	100.1	100.1	103.2	101.0	101.0

[1] The return after charges figures are based on the net asset value reported for financial statements purposes prepared under UK GAAP and SORP requirements and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on close of business prices.

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

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

Performance Record continued

Comparative Table continued

	OD Income Units			OD Accumulation Units		
	For the year to 29.2.2024	For the year to 28.2.2023	For the year to 28.2.2022	For the year to 29.2.2024	For the year to 28.2.2023	For the year to 28.2.2022
	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	99.83	99.90	100.1	102.9	101.1	101.2
Return before operating charges	4.99	2.00	(0.01)	5.19	2.00	0.02
Operating charges	(0.20)	(0.25)	(0.18)	(0.21)	(0.24)	(0.15)
Return after operating charges	4.79	1.75	(0.19)	4.98	1.76	(0.13)
Distributions	(4.76)	(1.82)	(0.01)	(4.99)	(1.85)	(0.01)
Retained distributions on accumulation units	N/A	N/A	N/A	4.99	1.85	0.01
Closing net asset value per unit	99.86	99.83	99.90	107.9	102.9	101.1
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges[1]	4.80%	1.75%	(0.19)%	4.84%	1.74%	(0.13)%
Other information						
Closing net asset value (£000's)	122	121	13	13,290	10,536	2,172
Closing number of units	122,548	121,547	13,304	12,319,334	10,243,437	2,148,963
Operating charges[2]	0.20%	0.25%	0.18%	0.20%	0.24%	0.15%
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	106.2	105.7	105.1	113.3	108.0	106.3
Lowest bid unit price	99.80	99.83	99.90	102.9	101.1	101.1

[1] The return after charges figures are based on the net asset value reported for financial statements purposes prepared under UK GAAP and SORP requirements and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on close of business prices.

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

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

Performance Record continued

Comparative Table continued

	OS Income Units			OS Accumulation Units		
	For the year to 29.2.2024	For the year to 28.2.2023	For the year to 28.2.2022	For the year to 29.2.2024	For the year to 28.2.2023	For the year to 28.2.2022
	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	99.93	99.99	100.1	102.9	101.1	101.2
Return before operating charges	5.00	2.00	0.05	5.26	2.03	0.05
Operating charges	(0.16)	(0.19)	(0.15)	(0.16)	(0.20)	(0.15)
Return after operating charges	4.84	1.81	(0.10)	5.10	1.83	(0.10)
Distributions	(4.81)	(1.87)	(0.01)	(5.04)	(1.89)	(0.01)
Retained distributions on accumulation units	N/A	N/A	N/A	5.04	1.89	0.01
Closing net asset value per unit	99.96	99.93	99.99	108.0	102.9	101.1
After direct transaction costs of	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after charges[1]	4.84%	1.81%	(0.10)%	4.96%	1.81%	(0.09)%
Other information						
Closing net asset value (£000's)	5,955	9,561	9,689	144,938	223,644	1,137,094
Closing number of units	5,957,689	9,568,259	9,689,094	134,196,489	217,281,137	1,124,730,419
Operating charges[2]	0.16%	0.19%	0.15%	0.15%	0.20%	0.15%
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	106.3	105.8	105.1	113.4	108.1	106.2
Lowest bid unit price	99.89	99.92	100.0	102.9	101.1	101.1

[1] The return after charges figures are based on the net asset value reported for financial statements purposes prepared under UK GAAP and SORP requirements and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on close of business prices.

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

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

Distribution Tables

for the year ended 29 February 2024

Final Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 December 2023

Group 2 – Units purchased 1 December 2023 to 29 February 2024

	A Income Units		A Accumulation Units		X Income Units		X Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	1.2863	0.3632	3.2048	1.4879	1.3488	1.3488	1.4792	0.6419
Equalisation†	–	0.9231	–	1.7169	–	0.0000	–	0.8373
Distribution paid 30.4.2024	**1.2863**	**1.2863**	**3.2048**	**3.2048**	**1.3488**	**1.3488**	**1.4792**	**1.4792**
Distribution paid 30.4.2023	**0.7595**	**0.7595**	**1.8164**	**1.8164**	**0.8516**	**0.8516**	**0.8889**	**0.8889**

	D Income Units		D Accumulation Units		S Income Units		S Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	1.3093	0.8027	3.3278	1.5608	1.3146	0.6461	1.4097	0.7153
Equalisation†	–	0.5066	–	1.7670	–	0.6685	–	0.6944
Distribution paid 30.4.2024	**1.3093**	**1.3093**	**3.3278**	**3.3278**	**1.3146**	**1.3146**	**1.4097**	**1.4097**
Distribution paid 30.4.2023	**0.8010**	**0.8010**	**1.9446**	**1.9446**	**0.8083**	**0.8083**	**0.8285**	**0.8285**

	OA Income Units		OA Accumulation Units		OD Income Units		OD Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	1.2700	1.2700	1.6754	0.0154	1.3036	0.3692	1.3856	0.7784
Equalisation†	–	0.0000	–	1.6600	–	0.9344	–	0.6072
Distribution paid 30.4.2024	**1.2700**	**1.2700**	**1.6754**	**1.6754**	**1.3036**	**1.3036**	**1.3856**	**1.3856**
Distribution paid 30.4.2023	**0.8656**	**0.8656**	**0.8700**	**0.8700**	**0.7897**	**0.7897**	**0.8111**	**0.8111**

	OS Income Units		OS Accumulation Units	
	Group 1	Group 2	Group 1	Group 2
Gross revenue	1.3148	0.9786	1.4032	0.7644
Equalisation†	–	0.3362	–	0.6388
Distribution paid 30.4.2024	**1.3148**	**1.3148**	**1.4032**	**1.4032**
Distribution paid 30.4.2023	**0.8067**	**0.8067**	**0.8244**	**0.8244**

Distribution Tables continued

Third Interim Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 September 2023

Group 2 – Units purchased 1 September 2023 to 30 November 2023

	A Income Units		A Accumulation Units		X Income Units		X Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	1.2435	0.4208	3.0605	1.5313	1.3227	1.3227	1.4367	0.1776
Equalisation†	–	0.8227	–	1.5292	–	0.0000	–	1.2591
Distribution paid 31.1.2024	**1.2435**	**1.2435**	**3.0605**	**3.0605**	**1.3227**	**1.3227**	**1.4367**	**1.4367**
Distribution paid 31.1.2023	**0.5513**	**0.5513**	**1.3122**	**1.3122**	**0.6458**	**0.6458**	**0.6696**	**0.6696**

	D Income Units		D Accumulation Units		S Income Units		S Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	1.2834	0.6374	3.2192	1.3873	1.2907	0.5631	1.3638	0.6409
Equalisation†	–	0.6460	–	1.8319	–	0.7276	–	0.7229
Distribution paid 31.1.2024	**1.2834**	**1.2834**	**3.2192**	**3.2192**	**1.2907**	**1.2907**	**1.3638**	**1.3638**
Distribution paid 31.1.2023	**0.5919**	**0.5919**	**1.4314**	**1.4314**	**0.6032**	**0.6032**	**0.6131**	**0.6131**

	OA Income Units		OA Accumulation Units		OD Income Units		OD Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	1.2000	1.2000	1.5200	1.5200	1.2755	0.5618	1.3438	0.5428
Equalisation†	–	0.0000	–	0.0000	–	0.7137	–	0.8010
Distribution paid 31.1.2024	**1.2000**	**1.2000**	**1.5200**	**1.5200**	**1.2755**	**1.2755**	**1.3438**	**1.3438**
Distribution paid 31.1.2023	**0.8100**	**0.8100**	**0.8100**	**0.8100**	**0.5895**	**0.5895**	**0.5965**	**0.5965**

	OS Income Units		OS Accumulation Units	
	Group 1	Group 2	Group 1	Group 2
Gross revenue	1.2887	0.6882	1.3569	0.6936
Equalisation†	–	0.6005	–	0.6633
Distribution paid 31.1.2024	**1.2887**	**1.2887**	**1.3569**	**1.3569**
Distribution paid 31.1.2023	**0.6008**	**0.6008**	**0.6099**	**0.6099**

Distribution Tables continued

Second Interim Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 June 2023

Group 2 – Units purchased 1 June 2023 to 31 August 2023

	A Income Units		A Accumulation Units		X Income Units		X Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	1.1225	0.4735	2.7315	1.4957	1.2136	1.0514	1.2920	0.4780
Equalisation†	–	0.6490	–	1.2358	–	0.1622	–	0.8140
Distribution paid 31.10.2023	**1.1225**	**1.1225**	**2.7315**	**2.7315**	**1.2136**	**1.2136**	**1.2920**	**1.2920**
Distribution paid 31.10.2022	**0.2535**	**0.2535**	**0.6032**	**0.6032**	**0.3512**	**0.3512**	**0.3629**	**0.3629**

	D Income Units		D Accumulation Units		S Income Units		S Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	1.1615	0.7345	2.8818	1.4653	1.1703	0.5278	1.2224	0.6475
Equalisation†	–	0.4270	–	1.4165	–	0.6425	–	0.5749
Distribution paid 31.10.2023	**1.1615**	**1.1615**	**2.8818**	**2.8818**	**1.1703**	**1.1703**	**1.2224**	**1.2224**
Distribution paid 31.10.2022	**0.2948**	**0.2948**	**0.7124**	**0.7124**	**0.3083**	**0.3083**	**0.3114**	**0.3114**

	OA Income Units		OA Accumulation Units		OD Income Units		OD Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	1.0800	1.0800	1.1200	1.1200	1.1548	0.8414	1.2025	0.6523
Equalisation†	–	0.0000	–	0.0000	–	0.3134	–	0.5502
Distribution paid 31.10.2023	**1.0800**	**1.0800**	**1.1200**	**1.1200**	**1.1548**	**1.1548**	**1.2025**	**1.2025**
Distribution paid 31.10.2022	**0.3200**	**0.3200**	**0.3200**	**0.3200**	**0.2945**	**0.2945**	**0.2978**	**0.2978**

	OS Income Units		OS Accumulation Units	
	Group 1	Group 2	Group 1	Group 2
Gross revenue	1.1691	0.7427	1.2163	0.5536
Equalisation†	–	0.4264	–	0.6627
Distribution paid 31.10.2023	**1.1691**	**1.1691**	**1.2163**	**1.2163**
Distribution paid 31.10.2022	**0.3061**	**0.3061**	**0.3023**	**0.3023**

Distribution Tables continued

First Interim Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 March 2023

Group 2 – Units purchased 1 March 2023 to 31 May 2023

	A Income Units		A Accumulation Units		X Income Units		X Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	0.9893	0.6223	2.3854	1.3750	1.0828	0.3532	1.1396	0.4675
Equalisation†	–	0.3670	–	1.0104	–	0.7296	–	0.6721
Distribution paid 31.7.2023	**0.9893**	**0.9893**	**2.3854**	**2.3854**	**1.0828**	**1.0828**	**1.1396**	**1.1396**
Distribution paid 31.7.2022	**0.1042**	**0.1042**	**0.2475**	**0.2475**	**0.2017**	**0.2017**	**0.2080**	**0.2080**

	D Income Units		D Accumulation Units		S Income Units		S Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	1.0310	0.5573	2.5285	1.0826	1.0410	0.4340	1.0734	0.5261
Equalisation†	–	0.4737	–	1.4459	–	0.6070	–	0.5473
Distribution paid 31.7.2023	**1.0310**	**1.0310**	**2.5285**	**2.5285**	**1.0410**	**1.0410**	**1.0734**	**1.0734**
Distribution paid 31.7.2022	**0.1448**	**0.1448**	**0.3491**	**0.3491**	**0.1567**	**0.1567**	**0.1592**	**0.1592**

	OA Income Units		OA Accumulation Units		OD Income Units		OD Accumulation Units	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Gross revenue	0.9862	0.9862	1.0500	1.0500	1.0245	0.4372	1.0552	0.5827
Equalisation†	–	0.0000	–	0.0000	–	0.5873	–	0.4725
Distribution paid 31.7.2023	**0.9862**	**0.9862**	**1.0500**	**1.0500**	**1.0245**	**1.0245**	**1.0552**	**1.0552**
Distribution paid 31.7.2022	**0.1200**	**0.1200**	**0.1200**	**0.1200**	**0.1454**	**0.1454**	**0.1482**	**0.1482**

	OS Income Units		OS Accumulation Units	
	Group 1	Group 2	Group 1	Group 2
Gross revenue	1.0368	0.8078	1.0679	0.5861
Equalisation†	–	0.2290	–	0.4818
Distribution paid 31.7.2023	**1.0368**	**1.0368**	**1.0679**	**1.0679**
Distribution paid 31.7.2022	**0.1563**	**0.1563**	**0.1581**	**0.1581**

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

Report on Remuneration

The below disclosures are made in respect of the remuneration policies of the BlackRock group ("BlackRock"), as they apply to BlackRock Fund Managers Limited (the "ManCo"). The disclosures are made in accordance with the provisions in the UK implementation of Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the council of 23 July 2014, (the "Directive"), the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority, the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2018, the Financial Conduct Authority ("FCA") Handbook SYSC 19E: The UCITS Remuneration Code (the "UCITS Remuneration Code"), and COLL 4.5.7 R(7).

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

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

Remuneration Governance

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

The implementation of the remuneration policy is annually subject to central and independent review for compliance with policies and procedures for remuneration adopted by the MDCC and by the ManCo's Board. The most recent review found no fundamental issues. The remuneration disclosure is produced and owned by MDCC and the Manager's Board.

No material changes were made to the remuneration policy in 2023.

(a) MDCC

The MDCC's purposes include:

- providing oversight of:
    - BlackRock's executive compensation programmes;
    - BlackRock's employee benefit plans; and
    - such other compensation plans as may be established by BlackRock from time to time for which the MDCC is deemed as administrator;
- reviewing and discussing the compensation discussion and analysis included in the BlackRock, Inc. annual proxy statement with management and approving the MDCC's report for inclusion in the proxy statement;

- reviewing, assessing and making reports and recommendations to the BlackRock, Inc. Board of Directors (the "BlackRock, Inc. Board") as appropriate on BlackRock's talent development and succession planning, with the emphasis on performance and succession at the highest management levels; and
- supporting the boards of the Company's EMEA regulated entities in meeting their remuneration-related obligations by overseeing the design and implementation of EMEA remuneration policy in accordance with applicable regulations.

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

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

The MDCC held 7 meetings during 2023. The MDCC charter is available on BlackRock, Inc.'s website (www.blackrock.com).

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

(b) The ManCo's Board

The ManCo's Board in its supervisory function has the task of supervising and providing oversight of the UCITS Remuneration Policy as it applies to the ManCo and its Identified Staff (as defined below).

The responsibilities of the supervisory function include:

- approve, maintain and oversee the implementation of the UCITS Remuneration Policy;
- determine and oversee the remuneration of the members of the management body, provided that insofar the relevant ManCo does not have a separate supervisory function, the remuneration of the member of the management body is determined by the MDCC;
- approve any subsequent material exemptions or changes to the UCITS Remuneration Policy and carefully consider and monitor their effects;
- take into account the inputs provided by all competent corporate functions (i.e., risk management, compliance, human resources, strategic planning, etc.) in the design and oversight of the UCITS Remuneration Policy.

Decision-making process

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

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

Annual incentive awards are paid from a bonus pool.

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

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

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

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

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, Finance, Human Resources and Internal Audit) has its own organisational structure which is independent of the business units and therefore staff members in control functions are remunerated independently of the businesses they oversee. 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 ManCo.

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

Link between pay and performance

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

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

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

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

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

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually (e.g., relevant working arrangements (including part-time status if applicable); 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;
- criticality to business; and
- supporting the firm's approaches to environmental, social and governance factors and diversity, equity and inclusion.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters.

Remuneration practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

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

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

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

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

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

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

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

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

Identified Staff

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as Identified Staff, being categories of staff of the ManCo, 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 ManCo 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.

BlackRock applies the proportionality principle in respect of staff identified as "Identified Staff". BlackRock bases its proportionality approach on a combination of factors that it is entitled to take into account based on relevant guidelines. The application of proportionality has been assessed based on the criteria set down in the ESMA Guidelines - i.e., criteria in terms of size, internal organisation and nature, scope and complexity of the activities; group of persons, who have only collectively a material impact on the risk profile of the management company; and structure of the remuneration of identified staff.

Quantitative Remuneration Disclosure

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

Remuneration information at an individual Fund level is not readily available. Disclosures are provided in relation to (a) the staff of the ManCo; (b) staff who are senior management; (c) staff who have the ability to materially affect the risk profile of the Fund: and (d) staff of companies to which portfolio management and risk management has been formally delegated.

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 ManCo is included in the aggregate figures disclosed.

Report on Remuneration continued

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

The amount of the total remuneration awarded to the ManCo's staff in respect of the ManCo's financial year ending 31 December 2023 is USD 171.3 million. This figure is comprised of fixed remuneration of USD 98.3 million and variable remuneration of USD 73.0 million. There were a total of 3,683 beneficiaries of the remuneration described above.

The amount of the aggregate remuneration awarded by the ManCo in respect of the ManCo's financial year ending 31 December 2023, to its senior management was USD 6.1 million, and to other members of its staff whose actions potentially have a material impact on the risk profile of the ManCo or its funds was USD 4.2 million.

Portfolio Statement

at 29 February 2024

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
BONDS – 37.84%; 28.2.2023 46.23%			
ECP Bonds – 14.01%; 28.2.2023 0.00%			
£10,000,000	Albion Capital 0% 20/3/2024	9,970	1.00
£2,000,000	Australia New Zealand Banking 0% 3/9/2024	1,947	0.19
£20,000,000	Banque Federative Du Credit Mu 0% 2/4/2024	19,903	2.00
£10,000,000	Banque Federative Du Credit Mu 0% 11/4/2024	9,938	1.00
£10,000,000	Banque Federative Du Credit Mu 0% 9/5/2024	9,898	0.99
£5,000,000	Banque Populaire Caisse D'Epar 0% 4/3/2024	4,996	0.50
£9,000,000	Bpce 0% 3/7/2024	8,839	0.89
£10,000,000	Bpce 0% 19/8/2024	9,757	0.98
£10,000,000	Bred Banque Populaire 0% 3/9/2024	9,733	0.98
£12,000,000	Ing Bank 0% 28/6/2024	11,791	1.19
£2,000,000	National Westminster Bank 0% 22/5/2024	1,976	0.20
£3,000,000	Natwest Markets 0% 27/6/2024	2,949	0.30
£3,000,000	Natwest Markets 0% 9/7/2024	2,944	0.30
£7,000,000	Omers Finance Trust 0% 8/4/2024	6,960	0.70
£1,000,000	Op Corporate Bank 0% 2/5/2024	991	0.10
£2,000,000	Satellite 0% 17/5/2024	1,977	0.20
£4,000,000	Skandinaviska Enskilda Banken 0% 3/7/2024	3,928	0.39
£5,000,000	Sumitomo Mitsui Banking 0% 25/4/2024	4,958	0.50
£3,000,000	Toyota Finance Australia 0% 7/6/2024	2,957	0.30
£4,000,000	Toyota Finance Australia 0% 20/6/2024	3,935	0.40
£1,000,000	Toyota Motor Finance Neth 0% 12/3/2024	998	0.10
£1,000,000	UBS London 0% 4/7/2024	982	0.10
£7,000,000	Zzz Code Cancelled Still Inx 0% 18/4/2024	6,949	0.70
		139,276	**14.01**
UK Sterling Denominated Corporate Bonds – 8.15%; 28.2.2023 4.03%			
£8,000,000	Australia & New Zealand Banking 5.66112% 18/7/2024	8,002	0.81
£10,000,000	Bank of Montreal 5.7211% 3/6/2024	10,004	1.01
£10,000,000	Bank of Nova Scotia 5.72048% 13/6/2024	10,004	1.01
£10,000,000	Canadian Imperial Bank of Commerce 5.72054% 20/6/2024	10,004	1.01
£5,000,000	Royal Bank of Canada 5.53262% 27/1/2025	5,000	0.50
£5,000,000	Royal Bank of Canada 5.64001% 23/9/2024	5,003	0.50
£10,000,000	Royal Bank of Canada 5.70097% 8/7/2024	10,004	1.01
£6,000,000	Royal Bank of Canada/London 5.70104% 17/5/2024	6,002	0.60
£7,000,000	Toronto-Dominion Bank 5.72053% 17/6/2024	7,003	0.70
£3,000,000	Toyota Motor Finance Netherlands 5.69116% 29/7/2024	2,991	0.30
£7,000,000	Westpac Banking 5.66049% 14/6/2024	7,000	0.70
		81,017	**8.15**
UK Sterling Denominated ECP Bonds – 15.68%; 28.2.2023 42.20%			
£26,000,000	Agence Centrale Organismes Sec 0% 28/3/2024	25,893	2.61
£20,000,000	Allianz 0% 26/4/2024	19,836	2.00
£5,000,000	Antalis 0% 7/3/2024	4,994	0.50
£20,000,000	Matchpoint Finance 0% 27/3/2024	19,918	2.00
£10,000,000	Matchpoint Finance Public 0% 22/5/2024	9,877	0.99
£10,000,000	Nieuw Amsterdam Receivables 0% 8/3/2024	9,987	1.00
£10,000,000	Omers Finance Trust 0% 13/5/2024	9,891	1.00
£4,000,000	Overseas Chinese Banking 0% 28/5/2024	3,948	0.40
£2,000,000	Satellite 0% 24/7/2024	1,956	0.20
£40,000,000	Sumitomo Mitsui Banking 0% 16/5/2024	39,546	3.98
£10,000,000	Sunderland Receivables 0% 8/4/2024	9,943	1.00
		155,789	**15.68**
Certificate of deposits – 59.35%; 28.2.2023 55.16%			
£4,000,000	Anz Banking 0% Certificate of Deposit 13/5/2024	3,957	0.40
£5,000,000	Anz Banking 0% Certificate of Deposit 7/10/2024	4,844	0.49

Portfolio Statement continued

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
£5,000,000	Australia And New Zealand Banking 0% Certificate of Deposit 30/8/2024	4,870	0.49
£5,000,000	Bnp Paribas London Branch 5.72% Certificate of Deposit 10/4/2024	5,002	0.50
£3,000,000	Commonwealth Bank Of Austr 0% Certificate of Deposit 18/10/2024	2,903	0.29
£5,000,000	Commonwealth Bank Of Austr 5.32% Certificate of Deposit 5/8/2024	5,001	0.50
£3,000,000	Commonwealth Bank Of Austra 5.22% Certificate of Deposit 20/11/2024	2,999	0.30
£1,000,000	Commonwealth Bk Of Australia 5.24% Certificate of Deposit 7/11/2024	1,000	0.10
£77,996,459	Cooperatieve Rabobank Ua Gb 5.18% Certificate of Deposit 1/3/2024	77,997	7.85
£8,000,000	Credit Agricole Cib London 0% Certificate of Deposit 27/6/2024	7,861	0.79
£12,000,000	Credit Agricole London 0% Certificate of Deposit 11/7/2024	11,769	1.18
£1,000,000	Dbs Bank 0% Certificate of Deposit 19/4/2024	993	0.10
£3,000,000	Dnb Bank 0% Certificate of Deposit 17/9/2024	2,915	0.29
£3,000,000	Dnb Bank 0% Certificate of Deposit 8/11/2024	2,894	0.29
£5,000,000	Euroclear Bank 0% Certificate of Deposit 9/5/2024	4,949	0.50
£6,000,000	Goldman Sachs Step Compliant 0% Certificate of Deposit 4/7/2024	5,890	0.59
£8,000,000	Goldman Sachs Step Compliant 0% Certificate of Deposit 5/7/2024	7,853	0.79
£4,000,000	Goldman Sachs Step Compliant 0% Certificate of Deposit 10/7/2024	3,923	0.39
£7,000,000	Goldman Sachs Step Compliant 0% Certificate of Deposit 12/7/2024	6,864	0.69
£10,000,000	Ing Bank 0% Certificate of Deposit 29/5/2024	9,869	0.99
£33,800,000	Ing Bank 5.15% Certificate of Deposit 1/3/2024	33,800	3.40
£60,614,940	Kbc Bank 5.17% Certificate of Deposit 1/3/2024	60,615	6.10
£13,000,000	Mizuho Bank 0% Certificate of Deposit 19/4/2024	12,903	1.30
£6,000,000	Mizuho Bank 0% Certificate of Deposit 10/5/2024	5,937	0.60
£5,000,000	Mizuho Bank 5.35% Certificate of Deposit 19/4/2024	5,000	0.50
£10,000,000	Mizuho Bank 5.45% Certificate of Deposit 5/3/2024	10,000	1.01
£66,909,063	Mufg Bank 5.18% Certificate of Deposit 1/3/2024	66,909	6.73
£10,000,000	Nat. Australia Bk 0% Certificate of Deposit 1/8/2024	9,781	0.98
£4,000,000	Nat. Australia Bk 0% Certificate of Deposit 8/10/2024	3,875	0.39
£4,000,000	Nat. Australia Bk 0% Certificate of Deposit 8/10/2024	3,875	0.39
£10,000,000	National Westminster Bank 0% Certificate of Deposit 10/5/2024	9,897	1.00
£3,000,000	National Westminster Bank P 0% Certificate of Deposit 5/3/2024	2,997	0.30
£40,000,000	Nationwide Building Society 5.18% Certificate of Deposit 5/3/2024	40,000	4.02
£2,000,000	Natwest 0% Certificate of Deposit 5/9/2024	1,947	0.20
£1,000,000	Natwest 0% Certificate of Deposit 9/9/2024	973	0.10
£2,000,000	Natwest Markets 0% Certificate of Deposit 3/6/2024	1,973	0.20
£1,000,000	Natwest Markets 0% Certificate of Deposit 6/6/2024	986	0.10
£2,000,000	Natwest Markets 0% Certificate of Deposit 14/6/2024	1,969	0.20
£2,000,000	Natwest Markets 0% Certificate of Deposit 1/7/2024	1,965	0.20
£2,000,000	Natwest Markets 0% Certificate of Deposit 3/7/2024	1,964	0.20
£10,000,000	Nordea Bank 0% Certificate of Deposit 4/3/2024	9,993	1.00
£6,000,000	Nordea Bank 0% Certificate of Deposit 29/5/2024	5,922	0.60
£5,000,000	Nordea Bank 0% Certificate of Deposit 5/6/2024	4,930	0.50
£12,000,000	Nordea Bank 0% Certificate of Deposit 25/7/2024	11,748	1.18
£2,000,000	Nordea Bank 0% Certificate of Deposit 30/7/2024	1,956	0.20
£3,000,000	Nordea Bank 0% Certificate of Deposit 4/11/2024	2,895	0.29
£5,000,000	Norinchukin Bank 0% Certificate of Deposit 8/4/2024	4,971	0.50
£35,000,000	Norinchukin Bank London 0% Certificate of Deposit 8/4/2024	34,797	3.50
£4,000,000	Sumitomo Mitsui Banking 0% Certificate of Deposit 7/5/2024	3,960	0.40
£10,000,000	Sumitomo Mitsui Banking 5.37% Certificate of Deposit 25/4/2024	10,000	1.01

Portfolio Statement continued

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
£10,000,000	Sumitomo Trust Bkg 5.46% Certificate of Deposit 6/3/2024	10,000	1.01
£2,000,000	The Mitsubishi Trust Bank 0% Certificate of Deposit 15/5/2024	1,978	0.20
£8,000,000	The Sumitomo Trust Bankin 5.35% Certificate of Deposit 21/5/2024	7,999	0.80
£7,000,000	Toronto Dominion Bank London 5.23% Certificate of Deposit 8/11/2024	6,996	0.70
£20,000,000	Toronto-Dominion Bank 5.74% Gbp Cd 01/11/2024 5.74% Certificate of Deposit 1/11/2024	20,045	2.02
		589,909	**59.35**
Portfolio of investments		**965,991**	**97.19**
CASH EQUIVALENTS			
Short-term Money Market Funds – 4.33%; 28.2.2023 4.49%			
43,073,898	BlackRock ICS Sterling Liquidity Fund - Agency Income Class†	**43,074**	**4.33**
Net other liabilities		(15,132)	(1.52)
Total net assets		**993,933**	**100.00**

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

† Managed by a related party.

Statement of Total Return

for the year ended 29 February 2024

	Notes	£000's	For the year to 29.2.2024 £000's	£000's	For the year to 28.2.2023 £000's
Income					
Net capital gains/(losses)	3		327		(728)
Revenue	4	52,560		23,437	
Expenses	5	(2,240)		(2,595)	
Net revenue before taxation		50,320		20,842	
Taxation	6	–		–	
Net revenue after taxation			50,320		20,842
Total return before distributions			50,647		20,114
Distributions	7		(50,323)		(20,842)
Change in net assets attributable to unitholders from investment activities			**324**		**(728)**

Statement of Change in Net Assets Attributable to Unitholders

for the year ended 29 February 2024

	£000's	For the year to 29.2.2024 £000's	£000's	For the year to 28.2.2023 £000's
Opening net assets attributable to unitholders		1,020,553		1,863,196
Amounts receivable on issue of units	795,658		812,262	
Amounts payable on cancellation of units	(867,642)		(1,672,800)	
		(71,984)		(860,538)
Change in net assets attributable to unitholders from investment activities		324		(728)
Retained distribution on accumulation units		45,040		18,623
Closing net assets attributable to unitholders		**993,933**		**1,020,553**

Balance Sheet

at 29 February 2024

	Notes	29.2.2024 £000's	28.2.2023 £000's
Assets:			
Fixed assets			
– Investment assets		965,991	1,034,704
Current assets			
– Debtors	8	8,164	6,250
– Cash and bank balances		607	537
– Cash equivalents	9	43,074	45,802
Total assets		**1,017,836**	**1,087,293**
Liabilities:			
Creditors			
– Distributions payable		(828)	(781)
– Other creditors	10	(23,075)	(65,959)
Total liabilities		**(23,903)**	**(66,740)**
Net assets attributable to unitholders		**993,933**	**1,020,553**

G D Bamping (Director)
M T Zemek (Director)
BlackRock Fund Managers Limited
29 May 2024

Notes to Financial Statements

for the year ended 29 February 2024

1. Accounting and Distribution Policies

Accounting Policies

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

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

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

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

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

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

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

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

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

Investments in dual priced Collective Investment Schemes have been valued at the latest available published bid price market values. Investments in single priced Collective Investment Schemes have been valued at the latest available published market values.

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

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

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

Distribution Policies

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

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

2. Financial Instruments and Risks

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

Risk management framework

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

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

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

(a) Market risk

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

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

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

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

The one day VaR as at 29 February 2024 and 28 February 2023 based on a 99% confidence level was 0.01% and 0.03% respectively.

i) Market risk arising from foreign currency risk

Exposure to foreign currency risk

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

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

ii) Market risk arising from other price risk

Exposure to other price risk

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

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

Management of other price risk

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

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

iii) Market risk arising from interest rate risk

Exposure to interest rate risk

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

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

Management of interest rate risk

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

(b) Counterparty credit risk

Exposure to counterparty credit risk

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

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

Management of counterparty credit risk

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

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

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

i) Trustee and Custodian

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

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

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

Management of counterparty credit risk related to the Trustee and Custodian

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

The long term credit rating of the parent company of the Trustee and Custodian, The Bank of New York Mellon Corporation, as at 29 February 2024 was A (28 February 2023: AA) (Standard & Poor's rating).

ii) Counterparties

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

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

Management of counterparty credit risk related to Counterparties

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

iii) Debt securities

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

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

Management of counterparty credit risk related to debt securities

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

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

29 February 2024

Investment grade %	Non-investment grade %	Not rated %	Total %
96.19	1.00	–	97.19

28 February 2023

Investment grade %	Non-investment grade %	Not rated %	Total %
101.00	0.39	–	101.39

(c) Liquidity risk

Exposure to liquidity risk

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

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

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

All financial liabilities including distributions payable held by the Fund as at 29 February 2024 and 28 February 2023, based on contractual maturities, fall due within one to three months.

Management of liquidity risk

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

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

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

(d) Valuation of financial instruments

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

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

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

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

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

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

Level 3 – Valuation techniques using significant unobservable inputs

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

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

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

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

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

	Level 1 £000's	Level 2 £000's	Level 3 £000's	Total £000's
29 February 2024				
Investment assets	–	965,991	–	965,991
Investment liabilities	–	–	–	–
28 February 2023				
Investment assets	–	1,034,704	–	1,034,704
Investment liabilities	–	–	–	–

(e) Global exposure

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

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

The Fund did not hold any FDIs at 29 February 2024 and 28 February 2023.

3. Net Capital Gains/(Losses)

	For the year to 29.2.2024 £000's	For the year to 28.2.2023 £000's
The net capital gains/(losses) comprise:		
Gains/(losses) on non-derivative securities	334	(718)
Custodian transaction costs	(7)	(10)
Net capital gains/(losses)	**327**	**(728)**

4. Revenue

	For the year to 29.2.2024 £000's	For the year to 28.2.2023 £000's
Interest from certificates of deposit	7,829	4,372
Interest from overseas fixed interest securities	27,116	10,951
Interest from UK bank deposits	24	20
Interest from UK fixed interest securities	–	68
Revenue from short-term money market funds	17,591	8,026
Total revenue	**52,560**	**23,437**

5. Expenses

	For the year to 29.2.2024 £000's	For the year to 28.2.2023 £000's
Payable to the Manager or associates of the Manager:		
– Annual Management charge	1,763	2,010
– Annual Management charge and other expenses rebates	–	(1)
– Annual service charge	333	417
	2,096	2,426
Other expenses:		
– Audit fee	7	6
– Audit fee rebates	(7)	(6)
– Safe custody fees	30	29
– Trustee's fees	114	140
	144	169
Total expenses	**2,240**	**2,595**

6. Taxation

(a) Analysis of tax charge

	For the year to 29.2.2024 £000's	For the year to 28.2.2023 £000's
Corporation tax	–	–
Total tax charge [see note 6(b)]	**–**	**–**

6. 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 29.2.2024 £000's	For the year to 28.2.2023 £000's
Net revenue before taxation	50,320	20,842
Corporation tax at 20% (28 February 2023: 20%)	10,064	4,168
Effects of:		
Tax deductible interest distributions	(10,064)	(4,168)
Total tax charge [see note 6(a)]	**–**	**–**

7. Distributions

	For the year to 29.2.2024 £000's	For the year to 28.2.2023 £000's
First distribution	10,771	2,899
Second distribution	11,978	3,192
Third distribution	13,872	6,267
Final distribution	12,868	8,133
	49,489	20,491
Add: Amounts deducted on cancellation of units	5,617	1,902
Less: Amounts received on issue of units	(4,783)	(1,551)
Distributions	**50,323**	**20,842**
The distributable amount has been calculated as follows:		
Net revenue after taxation	50,320	20,842
Add: Equalisation on conversions	3	–
Distributions	**50,323**	**20,842**

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

8. Debtors

	29.2.2024 £000's	28.2.2023 £000's
Accrued revenue	1,861	1,183
Amounts receivable for issue of units	6,303	5,067
Total debtors	**8,164**	**6,250**

9. Cash Equivalents

	29.2.2024 £000's	28.2.2023 £000's
Investment in short-term money market funds	43,074	45,802
Total cash equivalents	**43,074**	**45,802**

10. Other Creditors

	29.2.2024 £000's	28.2.2023 £000's
Accrued Annual Management charge	545	731
Accrued Annual service charge	112	102
Accrued Audit fee	7	6
Accrued Audit fee rebates	(12)	(13)
Accrued Manager's charge rebates	–	(2)
Accrued Safe custody fees	5	7
Accrued Trustee's fee	125	70
Amounts payable for cancellation of units	12,559	5,099
Custodian transaction costs	2	3
Purchases awaiting settlement	9,732	59,956
Total other creditors	**23,075**	**65,959**

11. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (28 February 2023: £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 29 February 2024:

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.

The Manager acts as either principal or agent for the Trustee in respect of all transactions of units of the Fund. The aggregate monies received through issue and paid through cancellation of units are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and note 7. Any amounts due to or from the Manager at the year end are disclosed in notes 8 and 10. Management fees and registration fees paid to the Manager are shown in note 5. The balances due at the year end in respect of these fees are shown in note 10.

12. Related Parties continued

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

As at 29 February 2024 and 28 February 2023, 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 29 February 2024

		Direct Transaction Costs			
Purchases (excluding derivatives)	**Transaction Value £000's**	**Commissions £000's**	**%**	**Taxes £000's**	**%**
Debt instruments	81,000	–	–	–	–
Total purchases	**81,000**	**–**		**–**	
Total purchases including transaction costs	**81,000**				

		Direct Transaction Costs			
Sales (excluding derivatives)	**Transaction Value £000's**	**Commissions £000's**	**%**	**Taxes £000's**	**%**
Debt instruments	41,000	–	–	–	–
Total sales	**41,000**	**–**		**–**	
Total sales net of transaction costs	**41,000**				
Total transaction costs		**–**		**–**	
Total transaction costs as a % of average net assets		**0.00%**		**0.00%**	

13. Portfolio Transaction Costs continued

For the year ended 28 February 2023

		Direct Transaction Costs			
Purchases (excluding derivatives)	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Debt instruments	11,109,160	–	–	–	–
Total purchases	**11,109,160**	**–**		**–**	
Total purchases including transaction costs	**11,109,160**				

		Direct Transaction Costs			
Sales (excluding derivatives)	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Debt instruments	11,426,403	–	–	–	–
Total sales	**11,426,403**	**–**		**–**	
Total sales net of transaction costs	**11,426,403**				
Total transaction costs		**–**		**–**	
Total transaction costs as a % of average net assets		**0.00%**		**0.00%**	

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

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

At the Balance Sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was .00 (28 February 2023: 0).

14. Units in Issue

The movement in units in issue for the year ended 29 February 2024 is as follows:

	A Income Units	A Accumulation Units	X Income Units	X Accumulation Units
Balance at the beginning of the year	5,623,482	102,613,672	12,591,744	225,248,568
Issued during the year	3,515,222	70,402,228	12,029,789	50,404,418
Cancelled during the year	(3,961,323)	(75,514,037)	(24,490,046)	(97,818,595)
Converted during the year	(60,342)	(3,877,612)	–	–
Balance at the end of the year	**5,117,039**	**93,624,251**	**131,487**	**177,834,391**

14. Units in Issue continued

	D Income Units	D Accumulation Units	S Income Units	S Accumulation Units
Balance at the beginning of the year	59,244,834	64,294,521	9,616,361	43,663,234
Issued during the year	82,850,180	129,895,422	14,936,549	39,444,509
Cancelled during the year	(102,950,204)	(85,912,703)	(18,158,893)	(32,598,181)
Converted during the year	6,368,591	1,033,384	–	453,857
Balance at the end of the year	**45,513,401**	**109,310,624**	**6,394,017**	**50,963,419**

	OA Income Units	OA Accumulation Units	OD Income Units	OD Accumulation Units
Balance at the beginning of the year	78,317	100	121,547	10,243,437
Issued during the year	–	2,700	111,790	17,911,272
Cancelled during the year	(78,217)	–	(110,789)	(15,835,375)
Converted during the year	–	–	–	–
Balance at the end of the year	**100**	**2,800**	**122,548**	**12,319,334**

	OS Income Units	OS Accumulation Units
Balance at the beginning of the year	9,568,259	217,281,137
Issued during the year	11,076,861	55,637,564
Cancelled during the year	(14,620,264)	(138,806,051)
Converted during the year	(67,167)	83,839
Balance at the end of the year	**5,957,689**	**134,196,489**

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 29 February 2024.

Statement of Manager's Responsibilities

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

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

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

Statement of the Trustee's Responsibilities in Respect of the Fund and Report of the Trustee to the Unitholders of the Fund for the Year Ended 29 February 2024

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

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

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

The Trustee must ensure that:

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

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

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

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

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

The Bank of New York Mellon
(International) Limited

London
29 May 2024

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

Opinion

We have audited the financial statements of BlackRock Cash Fund ("the Fund") for the year ended 29 February 2024, which comprise the Statement of Total Return, the Statement of Changes in Net Assets Attributable to Unitholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of the Fund, which include a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards 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 Fund as at 29 February 2024 and of the net revenue and the net capital gains on the scheme property of the Fund for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

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

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

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Conclusions relating to going concern

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

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

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

Other information

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

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

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

We have nothing to report in this regard.

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

In our opinion:

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

Matters on which we are required to report by exception

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

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

Responsibilities of the Manager

As explained more fully in the Manager's responsibilities statement set out on page 46, the Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Our approach was as follows:

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

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

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Use of our report

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

Ernst & Young LLP
Statutory Auditor

Edinburgh
29 May 2024

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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 2024, the firm manages £8.29 trillion across asset classes in separate accounts, mutual funds, other pooled investment vehicles, and the industry-leading iShares® exchange-traded funds.

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