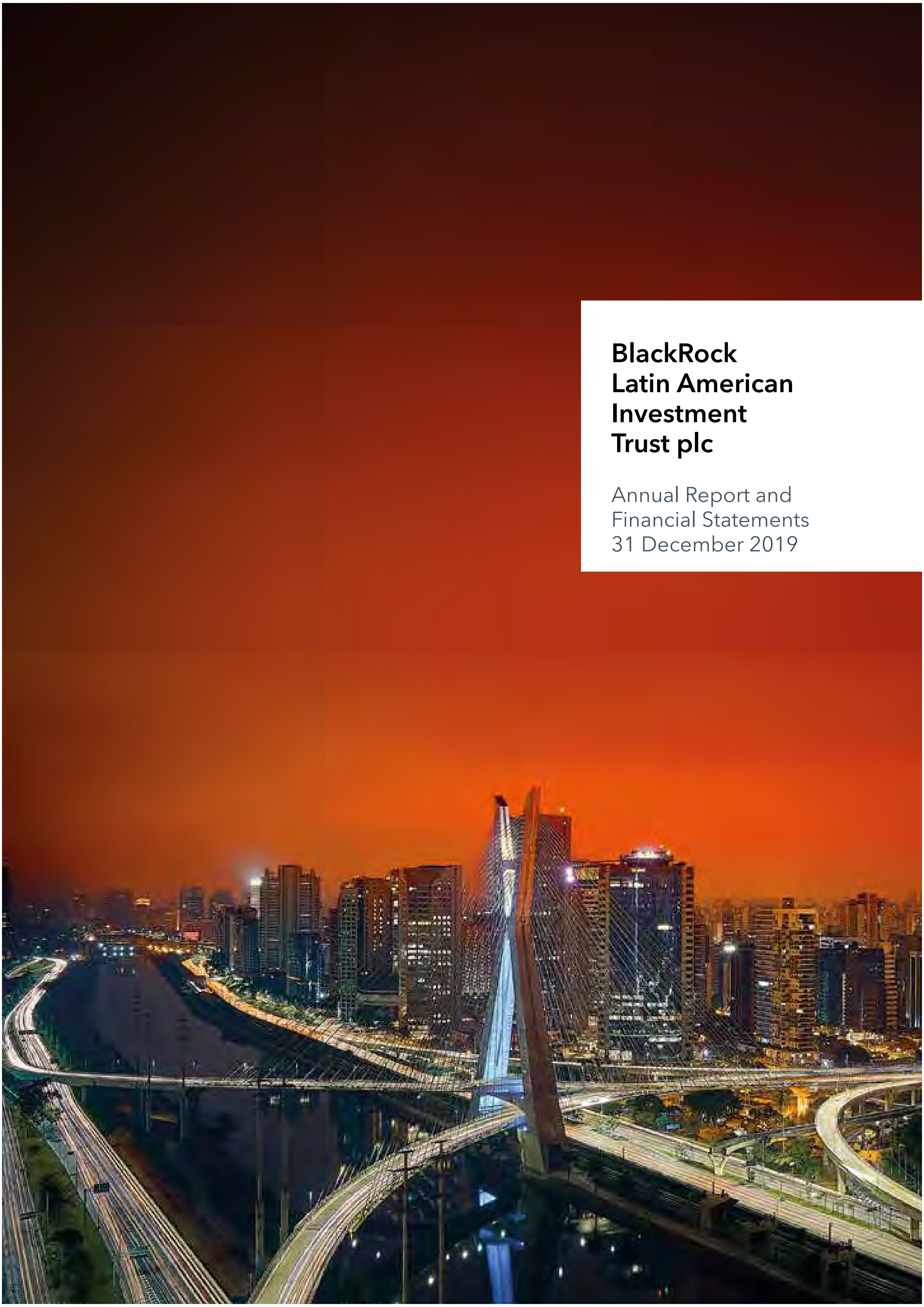


BlackRock Latin American Investment Trust plc

Annual Report and Financial Statements 31 December 2019

BlackRock.

BlackRock Latin American Investment Trust plc

Investment objective

The Company's objective is to secure long term capital growth and an attractive total return primarily through investing in quoted securities in Latin America.

Investment approach

- The Board strongly believes that our closed end structure is the most appropriate for active equity investment in Latin America and its well-known advantages are the major factors differentiating us from our many open ended competitors. As a closed end company we are able to adopt a longer term investment horizon, and therefore may, when appropriate, have a higher proportion of less liquid mid and smaller capitalisation companies than comparable open ended funds.
- As an actively managed fund our primary aims over the medium term are significant outperformance of our benchmark index (the MSCI Emerging Markets Latin America Index (Net Return)) and most of our competitors on a risk adjusted basis. Our portfolio and performance will diverge from the returns obtained simply by investing in the index.
- The portfolio will be chosen from a spread of companies which are listed in, or whose main activities are in, Latin America.
- BlackRock Fund Managers Limited (the Manager) is encouraged to consider appropriate investments in Latin American companies outside the index.
- The Board actively seeks to maintain control over the level and volatility of the discount between share price and the net asset value (NAV).
- We will selectively employ gearing with the aim of enhancing returns. The Board view that 105% of NAV is the neutral level of gearing over the longer term and that gearing should be used actively in an approximate range of plus or minus 10% around this as measured at the time that gearing is instigated.
- The Company pays a regular quarterly dividend equivalent to 1.25% of the Company's US Dollar NAV at the end of each calendar quarter.

aic
The Association of Investment Companies

A member of the Association of Investment Companies

Financial highlights

as at 31 December 2019

Outperformance of index benchmark
0.7%[1,6]

18.10c
Revenue profit per ordinary share
▲ **19.6%**

643.17c[4]
Ordinary share price
▲ **22.0%**[3,6]

732.15c
NAV per ordinary share
▲ **18.2%**[3,6]

$287.4m
Net assets
▲ **12.6%**

34.89c
Total dividends
▲ **48.2%**[5]

5.4%[2,6]
Dividend yield

Cartagena, Colombia

Percentage comparisons are year on year against 31 December 2018.

1 Outperformance based on cum-income NAV per share calculated relative to the MSCI EM Latin America Index (Net Return) with dividends reinvested for the year ended 31 December 2019 (all in US Dollars).

2 Yield calculated based on 4 quarterly dividends for the year ended 31 December 2019 of 34.89 cents per share and the share price as at 31 December 2019 of 643.17 cents. 2018 dividend yield based on total dividends of 23.55 cents and a share price at 31 December 2018 of 557.20 cents.

3 All calculations in US Dollars with dividends reinvested.

4 Mid-market price.

5 Dividends declared in respect of the financial year to 31 December 2019 of 34.89 cents per share compared to dividends declared in respect of the financial year to 31 December 2018 of 23.55 cents per share (see page 3 for more details).

6 Alternative Performance Measure. See Glossary on pages 113 to 116.

Contents

Performance record

	31 December 2019	31 December 2018	Change %
Net assets (US$'000)	287,444	255,245	+12.6
Net asset value per ordinary share (US$ cents) – with dividends reinvested[1]	732.15c	650.15c	+12.6 +18.2
Ordinary share price (mid-market) (US$ cents)[2] – with dividends reinvested[1]	643.17c	557.20c	+15.4 +22.0
Ordinary share price (mid-market) (pence) – with dividends reinvested[1]	485.50p	437.50p	+11.0 +17.2
Discount[1]	12.2%	14.3%	n/a
MSCI EM Latin America Index (Net return)[3]	558.16	475.18	+17.5

	Year ended 31 December 2019	Year ended 31 December 2018	Change %
Revenue			
Net profit after taxation (US$'000)	7,106	5,947	+19.5
Revenue profit per ordinary share (US$ cents)	18.10	15.13	+19.6
Dividends per ordinary share (US$ cents)			
Quarter to 31 March	8.56	n/a	n/a
Quarter to 30 June	9.15	7.57	+20.9
Quarter to 30 September	8.03	7.85	+2.3
Quarter to 31 December	9.15	8.13	+12.5
Total dividends paid and payable (US$ cents)	**34.89**	**23.55**	**+48.2**

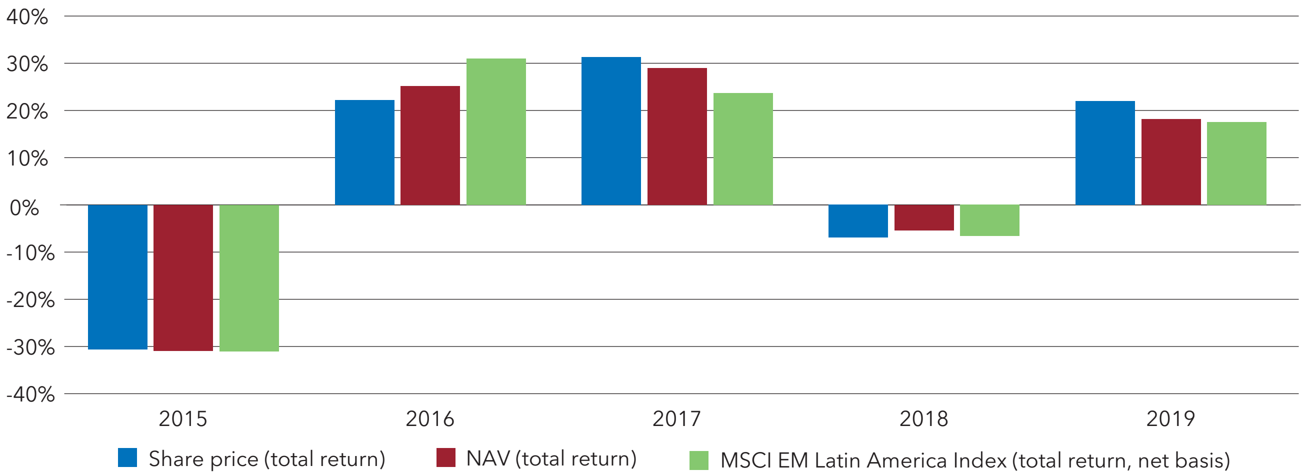
Source: BlackRock.

1 Alternative Performance Measures, see Glossary on pages 113 to 116.

2 Based on an exchange rate of $1.3248 to £1 at 31 December 2019 and $1.2736 to £1 at 31 December 2018.

3 The Company's performance benchmark (the MSCI EM Latin America Index) may be calculated on either a Gross or a Net return basis. Net return (NR) indices calculate the reinvestment of dividends net of withholding taxes using the tax rates applicable to non-resident institutional investors, and hence give a lower total return than indices where calculations are on a Gross basis (which assumes that no withholding tax is suffered). As the Company is subject to withholding tax rates for the majority of countries in which it invests, the NR basis is felt to be the most accurate, appropriate, consistent and fair comparison for the Company.

Annual performance for the five years to 31 December 2019



Sources: BlackRock Investment Management (UK) Limited and Datastream.
Performance figures are calculated in US Dollar terms with dividends reinvested.

Chairman's statement

CAROLAN DOBSON

Dear Shareholder

I am pleased to present the Annual Report to shareholders for the year ended 31 December 2019.

Since our year end we have moved into an unprecedented global economic and social situation with the COVID-19 pandemic so I thought it helpful to update shareholders on what the Board's key focus has been through this period to protect shareholder interests.

Operational Security and well being

We have been working with BlackRock and the Company's key suppliers to minimise the risk the virus poses to the health and wellbeing of all those working on the management and administration of the Company. We have received regular updates and have been ensuring that the Company's operations are not affected and that established business continuity plans are effective.

Gearing

We have reviewed our current loan facilities which comprise a $40,000,000 overdraft with BNYM (subject to a covenant restriction that limits total borrowings to 30% of net asset value) and are comfortable that this provides suitable liquidity.

Investment Portfolio Construction

We have been regularly discussing with the portfolio managers the resilience of the portfolio in these extraordinary times and what actions have been taken this year. There is a detailed update by the portfolio managers on this on pages 26 to 29.

Focus on Well Governed Companies

Our portfolio managers are supported by a very experienced team of investors with a considerable amount of resources dedicated to Latin America. Their experience of investing in Latin America has proven to them and to us that one of the best strategies to deal with adverse economic and market conditions is to populate the portfolio with companies with experienced management teams that have lived, operated and survived through crisis periods in the past. Whether it is hyperinflation, currency devaluations, periods of political turmoil or social and environmental calamities, Latin America has a long history of dealing with crisis. In addition, as our portfolio managers conduct stress tests on our investment universe, they find that companies that survive and thrive through periods of economic and market volatility are ones that have a high, relative degree of profitability through the cycle and sound balance sheets.

Outlook

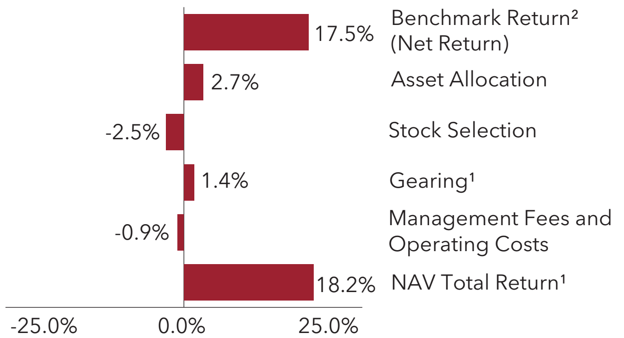
Whilst it is impossible at this stage to estimate the scale and duration of the global and regional economic downturn caused by the COVID-19 pandemic, it is also important to reflect on the scale and speed of the current market downturn relative to prior market falls. The amount of indiscriminate selling of securities at any price is the sign of a true market panic. The volatility seen in markets as a result of current biosecurity fears will have inevitably created dislocations in market valuations that are not consistent with long term fundamentals of the stocks we invest in. For example, the current value of Brazilian equites in US Dollar terms, as measured by the local stock index, is of a similar value today as it was in 2005, despite the considerable economic advances that the country has gone through in the last fifteen years.

As the market environment evolves and we face bouts of panic in equity markets our portfolio managers remain attuned to dislocations in pricing in the market which may provide significant opportunities for companies with their preferred attributes.

Review of 2019

Latin American stock markets were very strong in 2019 with the MSCI EM Latin America Index (US Dollar and total return (net) basis with dividends reinvested) rising by 17.5%. However it was also a year of considerable volatility between countries as political reform, electoral concerns and social unrest dominated the agenda. In Brazil, the region's largest economy, the long awaited pension and fiscal reforms began to be implemented, which drove the stock market up by 26.3%. In Mexico, markets also rose and gained 11.4% driven by a supportive fiscal policy, but kept to a more moderate gain by concerns over the government's ability to maintain fiscal discipline and keep spending under control. Colombia (up by 30.8%) was the region's top performing market in 2019, buoyed by healthy domestic demand, higher oil prices and stable inflation.

Contribution to total return for the year ended 31 December 2019



The performance attribution is based on a Brinson Fachler daily transactions-based methodology and is in line with Global Investment Performance Standards (GIPS) recommendations
Source: BNY Mellon.

[1] Alternative Performance Measures. Further details of the calculation of performance with dividends reinvested are given in the Glossary on pages 113 to 116.

[2] Benchmark returns based on net return indices with dividends reinvested.

Other countries in the region did not fare so well, with stock markets in Argentina falling dramatically in excess of 50% in August on news of the defeat of the incumbent president Mauricio Macri. The MSCI's decision to retain the country's 'Emerging Market' classification helped boost market performance in the fourth quarter of 2019, but the market still ended the year down by 20.8% and was the region's worst performer. Markets in Chile also lost ground, falling by 16.9% over the year on the back of currency weakness and persistent social unrest.

Performance

Over the year ended 31 December 2019 the Company's Net Asset Value (NAV) rose by 18.2%[1] in US Dollar terms compared to benchmark return of 17.5%. In Sterling terms the NAV rose by 13.6%[1] over the same period and the benchmark in sterling terms rose by 12.9%[2]. The share price increased by 22.0%[1] in US Dollar terms (17.2%[1] in Sterling terms).

Details of the factors affecting performance are set out in the Investment Manager's Report. Key aspects of performance attribution for the year are set out in the chart opposite.

Gearing

The Board's view is that 105% of NAV is the neutral level of gearing over the longer term and that gearing should be used actively in an approximate range of plus or minus 10% around this as measured at the time that gearing is instigated. These current parameters sit within the Company's gearing policy as set out in the investment policy on pages 9 and 10 which states that net borrowings are not expected to exceed 25% of net assets under normal circumstances, and the Company's Articles of Association which limit net borrowings to 100% of capital and reserves. Gearing is used actively with a low of 104.5% as at 31 December 2019 and the high at 111.3% in October 2019. Average gearing for the year to 31 December 2019 was 109.2%.

Revenue return and dividends

Total revenue return for the year was 18.10 cents per share (2018: 15.13 cents per share). The increase of 19.6% was largely due to a higher level of dividends received in the year from portfolio companies.

Under the Company's dividend policy, dividends are calculated and paid quarterly, based on 1.25% of the US Dollar NAV at close of business on the last working day of March, June, September and December respectively; additional information in respect of the payment timetable is set out on page 6. Dividends will be financed through a combination of available net income in each financial year and revenue and capital reserves.

The Company has declared interim dividends totalling 34.89 cents per share in respect of the year ended 31 December 2019 as detailed in the table below; this represented a yield of 5.4% based on the Company's share price at 31 December 2019. An interim dividend of 4.59 cents per share in respect of the first quarter of 2020 was declared on 1 April 2020 and will be paid on 20 May 2020 to shareholders on the register on 14 April 2020.

The dividends paid and declared by the Company in 2019 have been funded from current year revenue and brought forward revenue reserves. As at 31 December 2019, a balance of US$6.9 million remained in revenue reserves, which is sufficient to cover approximately two quarterly dividend payments at the most recently declared dividend rate of 9.15 cents per share. Dividends will be funded out of capital reserves to the extent that current year revenue and revenue reserves are insufficient. The Board believes that this removes pressure from the investment managers to seek a higher income yield from the underlying portfolio itself which could detract from total returns. The Board also believes the Company's dividend policy will enhance demand for the Company's shares and help to narrow the Company's discount, whilst maintaining the portfolio's ability to generate attractive total returns.

It is promising to note that since the dividend policy was introduced in July 2018, the Company's discount has narrowed from 14.9% as at 1 July 2018 to 6.2% as at 2 April 2020.

Discount management

The Directors continue to monitor the discount at which the ordinary shares trade to their prevailing NAV and in the year to 31 December 2019 the cum-income discount on the ordinary shares in Sterling terms has averaged 12.1% and ranged between 7.4% and 17.1%.

The Board has tried to reduce this volatility by offering shareholders a discount control mechanism covering the four years to 31 December 2021 whereby shareholders are offered a tender for 24.99 per cent of the shares in issue excluding treasury shares (at a tender price reflecting the latest cum-income NAV less 2 per cent and related portfolio realisation costs) in the event that the continuation vote for each relevant biennial period is approved (being the continuation votes at the forthcoming AGM in 2020 and in 2022), where either of the following conditions have been met:

(i) the annualised total NAV return of the Company does not exceed the annualised benchmark index (being the MSCI EM Latin America Index) US Dollar (net return by more than 100 basis points over the four year period from 1 January 2018 to 31 December 2021 (the Calculation Period).

(ii) the average daily discount to the cum-income NAV exceeds 12 per cent as calculated with reference to the trading of the shares over the Calculation Period.

In respect of the above conditions, the Company's annualised total NAV return on a US Dollar basis for the 24 months to 31 December 2019 was 5.75%[1], outperforming the annualised benchmark return for the same period of 4.76% by 0.99%[1]. The cum-income discount of the Company's ordinary shares has averaged 13.3%[1] for this period and ranged from a discount of 7.4%[1] to 20.6%[1], ending on a discount of 12.2%[1] at 31 December 2019.

The making of any tender offer pursuant to the above will be conditional upon the Company having the required shareholder authority or such shareholder authority being obtained, the Company having sufficient distributable reserves to effect the repurchase and, having regard to its continuing financial requirements, sufficient cash reserves to settle the relevant transactions with shareholders, and the Company's continuing compliance with the Listing Rules and all other applicable laws and regulations. The Company may require a minimum level of participation in any such tender offer to be met, failing which the tender offer may be declared void.

Further details of the tender mechanism and shareholder continuation vote are set out in the Strategic Report on page 13.

Share capital

As noted above, the Directors are mindful of the Company's discount to NAV. The Board monitors the Company's share rating closely, and is committed to making share purchases where appropriate to manage the discount. The Company has not bought back any shares during the financial year ended 31 December 2019 and up to the date of publication of this report (2018: 110,000 ordinary shares).

Board composition

The Board is mindful of the increasing focus on independence, tenure and succession planning set out in the updated Financial Reporting Council's review of the UK Corporate Governance Code, which applies for periods commencing on or after 1 January 2019. With this in mind, the Board commenced a search in 2018 to identify a new Director to join the Board, assisted by

[1] Alternative Performance Measures. Further details of the calculation of performance with dividends reinvested are given in the Glossary on pages 113 to 116.

	Dividend	Pay date
Quarter to 31 March 2019	8.56 cents	17 May 2019
Quarter to 30 June 2019	9.15 cents	16 August 2019
Quarter to 30 September 2019	8.03 cents	8 November 2019
Quarter to 31 December 2019	9.15 cents	6 February 2020
Total	**34.89 cents**	

a third-party recruitment firm; as a result of this and as previously disclosed in the 2018 annual report, Mr Craig Cleland joined the Board as a Director with effect from 1 January 2019, and subsequently took over the role of Audit Committee Chairman on 31 March 2019.

The Board having carefully considered the composition of the Board and the need to ensure that a suitable balance of skills, knowledge, experience, independence and diversity was maintained, undertook a further search and selection process in 2019 to identify an additional new Director. Following a thorough and detailed search, I am delighted to welcome Ms Laurie Meister to the Board. Ms Meister joined as a Director with effect from 1 February 2020. Ms Meister has 32 years of financial markets experience, both in New York and in London, with 28 years dedicated to having led and developed Latin American equity and capital markets, businesses and other emerging markets. Ms Meister will also serve as a member of the Company's Audit Committee, Nomination Committee, Management Engagement Committee and Remuneration Committee, and she will stand for election at the forthcoming Annual General Meeting. Further details of Ms Meister's background and the biographies of all the Directors are set out on pages 43 to 45. Information on the recruitment and selection process undertaken and details of the Board's policy on director tenure and succession planning can be found in the Directors' Report on page 60.

After 11 years of dedicated service to the Company, Mr Monteiro de Castro retired as Director of the Company on 31 March 2019. Mr Whitehead also retired as a Director on 31 December 2019 after more than 15 years of excellent service. On behalf of all shareholders, and my fellow Directors, I would like to thank Laurence and Antonio for their hard work and wise counsel over the past decade.

In accordance with the UK Code of corporate governance, the Directors have agreed to submit themselves to annual re-election. Therefore all Directors will retire and stand for re-election (or, in the case of Ms Meister, for election) at the forthcoming AGM.

Financial and corporate reporting

The Board takes its governance responsibilities very seriously and follows best practice requirements as closely as possible. The revised UK Code of Corporate Governance (the UK Code) published in 2018 requires enhanced disclosure setting out how we, as Directors, have fulfilled our duties in taking into account the wider interests of stakeholders in promoting the success of the Company. As part of this reporting, and given the

The Company invested in the miner, Antofagasta, during the year to gain exposure to copper on the back of strong production, low global inventory levels and recovering consumption and demand.

environmental, social and governance (ESG) issues that are faced by many companies within the Company's benchmark index, we have provided a detailed report on these matters on page 16 of the Strategic Report and pages 38 to 39. We have also provided more information on our Manager's approach to shareholder engagement and voting activities.

Earlier this year, the Association of Investment Companies (AIC) also published updates to its Code of Corporate Governance (the AIC Code) which were endorsed by the Financial Reporting Council (FRC) as being appropriate for investment companies. The 2019 AIC Code applies to accounting periods beginning on or after 1 January 2019 and the Board has fully adopted the recommendations of the 2019 AIC Code.

Annual general meeting

The AGM will be held at 12.00 noon on 29 June 2020 at the offices of BlackRock at 12 Throgmorton Avenue, London EC2N 2DL. The Board is mindful that on 26 March 2020, as a response to the COVID-19 pandemic, the Stay at Home Measures were passed into law in England and Wales, with immediate effect, in statutory instruments (2020/350 in England and 2020/353 in Wales) made pursuant to the Public Health (Control of Disease) Act 1984. Under these restrictions, public gatherings of more than two people are not permitted. Accordingly, it will not be possible for shareholders to attend general meetings in person until these restrictions are lifted, and they are therefore encouraged to submit their votes by proxy. The only attendees who will be permitted entry to AGMs under the current legislation will be those who will need to be present to form the quorum to allow the business to be conducted. In the hope that these restrictions will be lifted in the next few months, the Board has scheduled the Company's AGM for the furthest date in the future permitted by law and regulation, being 29 June 2020. Further information will be made available in due course through the Company's website at www.blackrock.co.uk/brla and regulatory new service announcements to the London Stock Exchange. Notwithstanding these difficult circumstances, the Board look forward to offering opportunities for shareholders to meet the portfolio managers and the Board at some safer stage in the future.

Changes to Articles of Association

The Board is proposing to make amendments to the Articles to enable the Company to hold general meetings (wholly or partially) by electronic means and to give additional powers in respect of postponing or adjourning meetings in appropriate circumstances. The amendments are being sought in response to challenges posed by government restrictions on social interactions as a result of the COVID-19 pandemic, which have made it impossible for shareholders to attend physical general meetings. The Board also notes that the business secretary, Alok Sharma, noted in his speech on 28 March, that the Government is seeking to implement changes to the AGM rules to allow virtual meetings, and these changes are to ensure that the Company is prepared for these changes, once implemented. The Board's aim in introducing these changes is to make it easier for shareholders to participate in general meetings through introducing electronic access for those not able to travel, and also to ensure appropriate security measures are in place for the protection and wellbeing of shareholders.

The principal changes proposed to be introduced in the Articles, and their effect, are set out in more detail in the Directors' report on pages 51 and 52.

Outlook

Before the outbreak of COVID-19, our portfolio managers were positive about the prospects for Latin America; the largest economy Brazil was making progress in fiscal and administrative reform, in Mexico the eventual approval of the USMCA (United States, Mexico and Canada) trade agreement in North America should improve business sentiment, in Colombia economic stability was increasing and in Argentina, despite the significant negative market sentiment, the Manager believes that there are interesting investment opportunities.

However, it is too early to really understand the economic implications of the COVID-19 pandemic on the Global or Latin American economy. We do know that there is currently a sharp slowdown in economic activity in the countries that were first affected by the virus and already there has been a considerable amount of disruption to global supply chains. In these circumstances, Latin America benefits from not being highly dependent on exports for economic growth, but it does remain heavily exposed to commodities in terms of oil and minerals where lowering global economic activity sharply affects prices.

CAROLAN DOBSON
Chairman
7 April 2020

Strategic report

The Directors present the Strategic Report of the Company for the year ended 31 December 2019.

Objective

The Company's objective is to secure long term capital growth and an attractive total return primarily through investing in quoted securities in Latin America.

Strategy, business model and investment policy

The Company invests in accordance with the objective given above. The Board is collectively responsible to shareholders for the long term success of the Company and is its governing body. There is a clear division of responsibility between the Board and the Manager. Matters for the Board include setting the Company's strategy, including its investment objective and policy, setting limits on gearing (both bank borrowings and the effect of derivatives), capital structure, governance, and appointing and monitoring of performance of service providers, including the Manager.

The Company's business model follows that of an externally managed investment trust; therefore the Company does not have any employees and outsources its activities to third party service providers including the Manager who is the principal service provider.

In accordance with the Alternative Investment Fund Managers' Directive (AIFMD) the Company is an Alternative Investment Fund (AIF). BlackRock Fund Managers Limited (the Manager) is the Company's Alternative Investment Fund Manager.

The management of the investment portfolio and the administration of the Company have been contractually delegated to the Manager who in turn (with the permission of the Company) has delegated certain investment management and other ancillary services to BlackRock Investment Management (UK) Limited (BIM (UK) or the Investment Manager). The Manager, operating under guidelines determined by the Board, has direct responsibility for the decisions relating to the day-to-day running of the Company and is accountable to the Board for the investment, financial and operating performance of the Company.

The Company delegates fund accounting services to the Investment Manager, which in turn sub-delegates these services to The Bank of New York Mellon (International) Limited. Other service providers include the Depositary, The Bank of New York Mellon (International) Limited and the Registrar, Computershare Investor Services PLC.

Prior to 1 November 2017, the entity appointed as the Company's Depositary was BNY Mellon Trust & Depositary (UK) Limited. Details of the contractual terms with these service providers are set out in the Directors' Report on pages 46 and 47.

Our strategy is that the portfolio will be chosen from a spread of companies which are listed in, or whose main activities are in, Latin America.

As an actively managed fund our primary aims over the medium term are significant outperformance of our benchmark index (the MSCI EM Latin America Index – net return with dividends reinvested) and most of our competitors on a risk adjusted basis. Our portfolio and performance will diverge from the returns obtained simply by investing in the index.

Investment policy

As a closed end Company we are able to adopt a longer term investment horizon, and therefore may, when appropriate, have a higher proportion of less liquid mid and smaller capitalisation companies than comparable open-ended funds.

The portfolio is subject to a number of geographical restrictions relative to the benchmark index but the Investment Manager is not constrained from investing outside the index. For Brazil, Mexico, Chile, Argentina, Peru, Colombia and Venezuela, the portfolio weighting is limited to plus or minus 20% of the index weighting for each of those countries. For all other Latin American countries the limit is plus or minus 10% of the index weighting. Additionally, the Company may invest in the securities of quoted companies whose main activities are in Latin America but which are not established or incorporated in the region or quoted on a local exchange.

The Company's policy is that up to 10% of the gross assets of the portfolio may be invested in unquoted securities.

The Company will not hold more than 15% of the market capitalisation of any one company and no more than 15% of the Company's investments will be held in any one company as at the date any such investment is made.

No more than 15% of the gross assets of the portfolio shall be invested in other UK listed investment companies (including other investment trusts).

The Company may deal in derivatives (including options, futures and forward currency transactions) for the purposes of efficient portfolio management (i.e. for the purpose of reducing, transferring or eliminating investment risk in the underlying investments of a collective investment

Strategic report continued

undertaking, including any technique or instrument used to provide protection against exchange and credit risks). No more than 20% of the Company's portfolio by value may be under option at any given time. No options contracts were entered into by the Company in the year under review.

The Company may underwrite or sub-underwrite any issue or offer for the sale of investments. No such commitment will be entered into if, at that time, the aggregate of such investments would exceed 10% of the net asset value of the Company or any such individual investment would exceed 3% of the net asset value of the Company.

The Company may, from time to time, use borrowings to gear its investment portfolio or in order to fund the market purchase of its own ordinary shares. Under the Company's Articles of Association, the net borrowings of the Company may not exceed 100% of the Company's adjusted capital and reserves. However, net borrowings are not expected to exceed 25% of net assets under normal circumstances. The Investment Manager may also hold cash or cash-equivalent securities when it considers it to be advantageous to do so.

The Company's financial statements are maintained in US Dollars. Although many investments are likely to be denominated and quoted in currencies other than in US Dollars, the Company does not currently employ a hedging policy against fluctuations in exchange rates.

No material change will be made to the Company's investment policy without shareholder approval.

Investment process

An overview of the investment process is set out below.

The Investment Manager's main focus is to invest in securities that provide opportunities for strong capital appreciation relative to our benchmark. We aim to maintain a concentrated portfolio of high conviction investment ideas that typically consists of companies with a combination of mispriced growth potential and/or display attributes of sustained value creation that are underappreciated by the financial markets.

The Manager's experienced research analyst team conducts on the ground research, meeting with target companies, competitors, suppliers and others in the region in order to generate investment ideas for portfolio construction. In addition, the investment team meets regularly with government officials, central bankers, industry regulators and consultants.

Final investment decisions result from a combination of bottom-up, company specific research with top-down, macro analysis.

The Brazilian home builder, Cyrela Brazil Realty, was the year's best performer on the back of operational momentum and increased lending support for home buyers.

Promoting the success of the BlackRock Latin American Investment Trust plc

New regulations (The Companies (Miscellaneous Reporting) Regulations 2018) require directors to explain more fully how they have discharged their duties under section 172(1) of the Companies Act 2006 in promoting the success of their companies for the benefit of members as a whole. This enhanced disclosure covers how the Board has engaged with and understands the views of stakeholders and how stakeholders' needs have been taken into account, the outcome of this engagement and the impact that it has had on the Board's decisions.

As the Company is an externally managed investment company and does not have any employees or customers, the Board consider the main stakeholders in the Company to be the shareholders, key service providers (being the Manager and Investment Manager, the Custodian, Depositary, Registrar and Broker) and investee companies. The reasons for this determination, and the Board's overarching approach to engagement, are set out in the table below.

Stakeholders			
Shareholders	Manager and Investment Manager	Other key service providers	Investee companies
Continued shareholder support and engagement are critical to the continued existence of the Company and the successful delivery of its long-term strategy. The Board is focused on fostering good working relationships with shareholders and on understanding the views of shareholders in order to incorporate them into the Board's strategy and objectives in delivering long-term growth and income.	The Board's main working relationship is with the Manager, who is responsible for the Company's portfolio management (including asset allocation, stock and sector selection) and risk management, as well as ancillary functions such as administration, secretarial, accounting and marketing services. The Manager has sub-delegated portfolio management to the Investment Manager. Successful management of shareholders' assets by the Investment Manager is critical for the Company to successfully deliver its investment strategy and meet its objective. The Company is also reliant on the Manager as AIFM to provide support in meeting relevant regulatory obligations under the AIFMD other relevant legislation.	In order for the Company to function as an investment trust with a listing on the premium segment of the official list of the FCA and trade on the London Stock Exchange's (LSE) main market for listed securities, the Board relies on a diverse range of advisors for support in meeting relevant obligations and safeguarding the Company's assets. For this reason the Board considers the Company's Custodian, Depositary, Registrar and Broker to be stakeholders. The Board maintains regular contact with its key external providers and receives regular reporting from them through the Board and committee meetings, as well as outside of the regular meeting cycle.	Portfolio holdings are ultimately shareholders' assets, and the Board recognises the importance of good stewardship and communication with investee companies in meeting the Company's investment objective and strategy. The Board monitors the Manager's stewardship arrangements and receives regular feedback from the Manager in respect of meetings with the management of portfolio companies.

A summary of the key areas of engagement undertaken by the Board with its key stakeholders in the year under review and how Directors have acted upon this to promote the long term success of the Company are set out in the table below.

Area of Engagement	Issue	Engagement	Impact
Investment mandate and objective	The Board is committed to promoting the role and success of the Company in delivering on its investment mandate to shareholders over the long term. However, the Board recognises that securities within the Company's investment remit may involve significant additional risk due to the political volatility and environmental, social and governance concerns facing many of the countries in the Company's investment universe. These ethical and sustainability issues should be a key focus of our Manager's research. More than ever consideration of sustainable investment is a key part of the investment process and must be factored in when making investment decisions. The Board also have responsibility to shareholders to ensure that the Company's portfolio of assets are invested in line with the stated investment objective and in a way that ensures an appropriate balance between spread of risk and portfolio returns.	The Board believes that responsible investment and sustainability are important to the longer term delivery of growth in capital and income and has worked very closely with the Manager throughout the year to regularly review the Company's performance, investment strategy and underlying policies and to understand how ESG considerations are integrated into the investment process. The Manager's approach to the consideration of ESG factors in respect of the Company's portfolio, as well as its engagement with investee companies to encourage the adoption of sustainable business practices which support long-term value creation, are kept under review by the Board. The Manager reports to the Board in respect of its consideration of ESG factors and how these are integrated into the investment process; a summary of BlackRock's approach to ESG and sustainability is set out on pages 38 to 39. The Board discussed ESG concerns in respect of specific portfolio companies with the Manager, including action being taken in respect of the tragic dam collapse last year in Brumadinho, operated by Vale.	The portfolio activities undertaken by the Manager, can be found in the Investment Manager's Report on pages 24 to 29. The Manager has engaged with management at Vale in respect of the results of the internal and external investigations into the causes of the Brumadinho tragedy and the company has taken steps to implement repairs and to ensure safety measures are enhanced, and has made pledges towards responding to the social and environmental costs of the accident. The Manager continues to monitor progress and will vote against management being reappointed at the next AGM to the extent that it considers sufficient progress has not been made. During the year under review, the Manager increased its underweight positioning in Vale, and at 31 December 2019 the stock represented 4.7% of the portfolio compared to a benchmark weighting of 5.9%.

Area of Engagement	Issue	Engagement	Impact
Dividend target	A key element of the Board's overall strategy to reduce the discount at which the Company's shares trade is the Company's dividend policy whereby the Company pays a regular quarterly dividend equivalent to 1.25% of the Company's US Dollar NAV at the end of each calendar quarter. The Board believes this policy which produced a dividend yield of 5.4% (based on the share price of 643.17c at 31 December 2019), enhances demand for the Company's shares, which will help to narrow the Company's discount over time. These dividends are funded out of capital reserves to the extent that current year revenue and revenue reserves are insufficient; the Board believes that this removes pressure from the investment managers to seek a higher income yield from the underlying portfolio itself which could detract from total returns but keep the dividend policy and its impact on total return under review.	The Manager reports total return performance statistics to the Board on a regular basis, along with the portfolio yield and the impact of the dividend policy on brought forward distributable reserves. The Board reviews the Company's discount on a regular basis and holds regular discussions with the Manager and the Company's broker regarding the discount level. The Manager provides the Board with feedback and key performance statistics regarding the success of the Company's marketing initiatives which include messaging to highlight the quarterly dividends. The Board also reviews feedback from shareholders in respect of the level of dividend. Notwithstanding the issues posed by the COVID-19 pandemic, in normal operating conditions, shareholders may attend the Company's annual general meeting where formal questions may be put to the Board.	Since the dividend policy was introduced in July 2018, the Company's discount has narrowed from 14.3% as at 31 December 2018 to 12.2% as at 31 December 2019. At the date of this report the discount stood at 6.2%. Of total dividends of US$13,697,000 paid out in the year, US$6,591,000 has been paid out of reserves. The Company's portfolio managers (Sam Vecht and Ed Kuczma) attended 35 professional investor meetings, and held discussions with over 75 different wealth management desks and offices over the year to promote the Company and raise the profile in terms of the investment strategy, including the dividend policy.
Discount management	The Board recognises that it is in the long term interests of shareholders that shares do not trade at a significant discount to their prevailing NAV. To this end, the Board has put in place a discount control mechanism covering the four years to 31 December 2021 whereby shareholders are offered a tender for 24.99 per cent of the shares in issue where either a performance target or an average discount target is not met (see page 6 for more details).	The Board monitors the tender trigger targets described on page 6 on a regular basis in conjunction with the Manager. The Manager provides regular performance updates and detailed performance attribution.	The Company's average discount for the current tender trigger period to date (from 1 January 2018 to 31 December 2019) was 13.3%[1] compared to the tender discount target of 12%.[1] The Company's annualised outperformance of the benchmark for the same tender trigger period was 0.99%[1] compared to a threshold of 1.00%.[1] On this basis the tender would be implemented if the tender trigger date had fallen on 31 December 2019. The Company's discount has narrowed significantly over the year under review, from 14.3% at 31 December 2018 to 12.2% at 31 December 2019. As at 2 April 2020 the discount was 6.2%.

[1] Alternative Performance Measures, see Glossary on pages 113 to 116.

Area of Engagement	Issue	Engagement	Impact
Service levels of third party providers	The Board acknowledges the importance of ensuring that the Company's principal suppliers are providing a suitable level of service: including the Manager in respect of investment performance and delivering on the Company's investment mandate; the Custodian and Depositary in respect of in their duties towards safeguarding the Company's assets; the Registrar in its maintenance of the Company's share register and dealing with investor queries and the Company's Brokers in respect of the provision of advice and acting as a market maker for the Company's shares.	The Manager reports to the Board on the Company's performance on a regular basis. The Board carries out a robust annual evaluation of the Manager's performance, their commitment and available resources. The Board performs an annual review of the service levels of all third party service providers and concludes on their suitability to continue in their role. The Board receives regular updates from the AIFM, Depositary, Registrar and Brokers on an ongoing basis. Since the year end, in light of the challenges presented by the COVID-19 pandemic to the operation of business across the globe, the Board has worked closely with the Manager to gain comfort that relevant business continuity plans are operating effectively for all of the Company's service providers.	All performance evaluations were performed on a timely basis and the Board concluded that all third party service providers, including the Manager, Custodian, Depositary and Fund administrator were operating effectively and providing a good level of service. The level of fee paid to the Depositary was reviewed and was reduced from 1.15 basis points per annum of net assets to rate of 0.95 basis points per annum with effect from 1 January 2019. The Board has received updates in respect of business continuity planning from the Company's Manager, Custodian, Depositary, Fund administrator, Brokers, Registrar and printers, and is confident that arrangements are in place to ensure that a good level of service will continue to be provided despite the impact of the COVID-19 pandemic.
Board composition	The Board is committed to ensuring that its own composition brings an appropriate balance of knowledge, experience and skills, and that it is compliant with best corporate governance practice under the new UK Code, including guidance on tenure and the composition of the Board's committees.	Over recent years the Board undertook a review of succession planning arrangements and identified the need for action given that from July 2019, if no action were taken, a majority of Board Directors would have had tenure in excess of nine years. The Nomination Committee agreed the selection criteria and the method of selection, recruitment and appointment. Board diversity, including gender, was taken into account when establishing the criteria. The services of an external search consultant, Cornforth Consulting Limited, was used to identify potential candidates. All Directors are subject to a formal evaluation process on an annual basis (more details and the conclusions in respect of the 2019 evaluation process are given on page 61). All Directors stand for re-election by shareholders annually. Shareholders may attend the AGM and raise any queries in respect of Board composition or individual Directors in person, or may contact the Company Secretary or the Chairman using the details provided on page 109 if they wish to raise any issues.	Mr Antonio Monteiro de Castro, whose tenure exceeded the nine year limit recommended by the UK Code, retired as a Director and as Chairman of the Audit Committee on 31 March 2019. The Board appointed Mr Craig Cleland as a Director of the Company with effect from 1 January 2019, and he took over the position of Chairman of the Audit Committee with effect from 31 March 2019. Mr Laurence Whitehead, whose tenure also exceeded nine years, retired from the Board on 31 December 2019. Subsequently the Board announced in January 2020 that Ms Laurie Meister would join the Board with effect from 1 February 2020. From this date the Board was comprised of three women and two men. Mr Cleland and Ms Meister's biographies are set out on pages 43 and 45. Details of each Directors' contribution to the success and promotion of the Company are set out in the Directors' report on pages 50 to 51. The Directors are not aware of any issues that have been raised directly by shareholders in respect of Board composition in 2019. Details for the proxy voting results in favour and against individual Directors' re-election at the 2019 AGM are given on the Company's website at www.blackrock.co.uk/brla.

Area of Engagement	Issue	Engagement	Impact
Shareholders	Continued shareholder support and engagement are critical to the continued existence of the Company and the successful delivery of its long-term strategy.	The Board is committed to maintaining open channels of communication and to engage with shareholders. Notwithstanding the challenges posed by the COVID-19 pandemic, in normal operating circumstances the Company welcomes and encourages attendance and participation from shareholders at its Annual General Meetings. Shareholders therefore have the opportunity to meet the Directors and Investment Manager and to address questions to them directly. The Annual Report and Half-Yearly Financial Report are available on the BlackRock website and are also circulated to shareholders either in printed copy or via electronic communications. In addition, regular updates on performance, monthly factsheets, the daily NAV and other information are also published on the website at blackrock.co.uk/brla. The Board also works closely with the Manager to develop the Company's marketing strategy, with the aim of ensuring effective communication with shareholders in respect of the investment mandate and objective. Unlike trading companies, one-to-one shareholder meetings usually take the form of a meeting with the portfolio manager as opposed to members of the Board. As well as attending regular investor meetings the portfolio managers hold regular discussions with wealth management desks and offices to build on the case for, and understanding of, long-term investment opportunities in Latin America. The Manager also coordinates public relations activity, including meetings between the portfolio managers and relevant industry publications to set out their vision for the portfolio strategy and outlook for the region. The Manager releases monthly portfolio updates to the market to ensure that investors are kept up to date in respect of performance and other portfolio developments, and maintains a website on behalf of the Company that contains relevant information in respect of the Company's investment mandate and objective. If shareholders wish to raise issues or concerns with the Board, they are welcome to do so at any time. The Chairman is available to meet directly with shareholders periodically to understand their views on governance and the Company's performance where they wish to do so. She may be contacted via the Company Secretary whose details are given on page 109.	The Board values any feedback and questions from shareholders ahead of and during Annual General Meetings in order to gain an understanding of their views and will take action when and as appropriate. Feedback and questions will also help the Company evolve its reporting, aiming to make reports more transparent and understandable. Feedback from all substantive meetings between the Investment Manager and shareholders will be shared with the Board. The Directors will also receive updates from the Company's broker on any feedback from shareholders, as well as share trading activity, share price performance and an update from the Investment Manager. The portfolio managers attended 35 professional investor meetings, and held discussions with over 75 different wealth management desks and offices in respect of the Company during the year under review. Investors gave positive feedback in respect of the change of portfolio management team in December 2018 and the move to a higher conviction portfolio. Investors were also impressed with the wide pool of resource available through BlackRock's Global Emerging Markets team, and the rigorous 'bottom-up/top-down' investment approach (set out in more detail on page 10). Investors were concerned over the volatility of the Latin American region and market liquidity.

Sustainability and our ESG policies

The Board's approach

Environmental, social and governance (ESG) issues can present both opportunities and threats to long-term investment performance. The securities within the Company's investment remit may involve significant additional risk due to the political volatility and ESG concerns facing many of the countries in the Company's investment universe. These ethical and sustainability issues are a key focus of the Board, and your Board is committed to a diligent oversight of the activities of the Manager in these areas. The Board believes effective engagement with management is, in most cases, the most effective way of driving meaningful change in the behaviour of investee company management. This is particularly true for the Company's Manager given the extent of BlackRock's shareholder engagement (BlackRock held 2,050 engagements with 1,458 companies based in 42 markets for the year to 30 June 2019). As well as the influence afforded by its sheer scale, the Board believes that BlackRock is well placed as Manager to fulfil these requirements due to the integration of ESG into its investment processes, the emphasis it places on sustainability, its collaborative approach in its investment stewardship activities and its position in the industry as one of the largest suppliers of sustainable investment products in the global market. More information on BlackRock's approach to sustainability is set out on pages 38 and 39.

The importance of considering ESG when investing in the Latin American Sector		
Environmental	Social	Corporate Governance
Some of the companies forming the largest components of the Company's benchmark index are oil and mining companies. The oil and gas exploration company Petrobras represents 8% of the benchmark at 31 December 2019, and the Brazilian mining company Vale represents nearly 6%. Digging mines and drilling for oil will inevitably have an impact on the local environment. Key is how companies manage this process ensuring the benefits are appropriately shared amongst all stakeholders. The value wiped off the market capitalisation of companies, such as Vale, after the Brumadinho dam collapse, highlights the key role that ESG has on share price performance. As set out in more detail on pages 38 and 39 BlackRock will be aligning its engagement and stewardship priorities to UN Sustainable Development Goals and is committed to voting against management to the extent that they have not demonstrated sufficient progress in how they manage these environmental impacts and operating events.	BlackRock believes it is vital that companies maintain their social licence to operate. By this, BlackRock means that companies maintain broad acceptance from their employees, stakeholders, local communities and the national government. The portfolio management team's site visits to companies' assets provide them with valuable insight into these issues which often cannot be properly understood from company reports.	As with all companies, good corporate governance is critical for natural resources companies. In conjunction with the BlackRock Investment Stewardship team, the portfolio management team actively engage with companies on a wide range of governance issues including board independence, executive compensation, shareholder protection and timely disclosure.

Performance

Details of the Company's performance are set out in the Chairman's Statement on page 5.

The Investment Manager's Report on pages 24 to 29 forms part of this Strategic Report and includes a review of the main developments during the year, together with information on investment activity within the Company's portfolio.

Portfolio analysis

A detailed analysis of the investments and the sector and geographical allocations is provided on pages 33 to 35.

Results and dividends

The results for the Company are set out in the Income Statement on page 79. The total profit for the year on ordinary activities, after taxation, was US$45,496,000 (2018: loss of US$14,877,000) of which the revenue profit amounted to US$7,106,000 (2018: US$5,947,000), and the capital profit amounted to US$38,390,000 (2018: loss of US$20,824,000).

With effect from July 2018, a new dividend policy was implemented whereby the Company pays a regular quarterly dividend equivalent to 1.25% of the Company's US Dollar NAV at the end of each calendar quarter. The Company has declared interim dividends totalling 34.89 cents per share under this policy in respect of the year ended 31 December 2019 as detailed in the table below.

	Dividend	Pay date
Quarter to 31 March 2019	8.56 cents	17 May 2019
Quarter to 30 June 2019	9.15 cents	16 August 2019
Quarter to 30 September 2019	8.03 cents	8 November 2019
Quarter to 31 December 2019	9.15 cents	6 February 2020
Total	**34.89 cents**	

Under the Company's new dividend policy, dividends are calculated based on 1.25% of the US Dollar NAV at close of business on the last working day of March, June, September and December and are paid in May, August, November and February respectively. Dividends will be financed through a combination of available net income in each financial year and revenue and capital reserves.

Details of this policy are also set out in the Chairman's Statement on pages 5 and 6.

Key performance indicators

At each Board meeting, the Directors consider a number of performance measures to assess the Company's success in achieving its objectives. The key performance indicators (KPIs) used to measure the progress and performance of the Company over time are comparable to those reported by other investment trusts and are set out on page 18.

NAV, share price and index performance

At each meeting the Board reviews the detail of the performance of the portfolio as well as the net asset value and share price (total return) for the Company and compares this to the performance of other companies in the peer group of Latin American open and closed end funds and to our benchmark.

The Board also regularly reviews a number of indices and ratios to understand the impact on the Company's relative performance of the various components such as asset allocation and stock selection.

Information on the Company's performance is given in the performance record on page 3 and the Chairman's Statement and Investment Manager's Report on pages 4 to 8 and 24 to 29 respectively.

Premium/discount to NAV

The Board recognises that it is in the long term interests of shareholders that shares do not trade at a significant discount to their prevailing NAV. The Board monitors the level of the Company's discount to NAV on an ongoing basis and considers strategies for managing any discount. In the year to 31 December 2019, the Company's share price to NAV traded in the range of a discount of 7.4% to 17.1% on a cum-income basis.

Further details setting out how the discount or premium at which the Company's shares trade is calculated is included in the Glossary on page 113.

Ongoing charges

The ongoing charges represent the Company's management fee and all other recurring operating and investment management expenses, excluding finance costs, transaction costs and taxation expressed as a percentage of average net assets.

The ongoing charges are based on actual costs incurred in the year as being the best estimate of future costs. The Board reviews the ongoing charges and monitors the expenses incurred by the Company on an ongoing basis against a peer group of Latin American open and closed end funds. A definition setting out in detail how the ongoing charges ratio is calculated is included in the Glossary on pages 113 to 116.

Composition of shareholder register

The Board is mindful of the importance of a diversified shareholder register and the need to make the Company's shares attractive to long term investors; it is therefore the Board's aim to increase the diversity of the shareholder register over time. The Board monitors the retail element of the register, which is defined for these purposes as wealth managers, Independent Financial Advisors (IFAs) and direct private investors. On this basis the Company's share register currently comprises 32.2% retail investors; the Board will monitor this with the aim of growing the retail element of the register over time.

The table below sets out the key KPIs for the Company. As indicated in footnote 2 to the table, some of these KPIs fall within the definition of 'Alternative Performance Measures' (APMs) under guidance issued by the European Securities and Markets Authority (ESMA) and additional information explaining how these are calculated is set out in the Glossary on pages 113 to 116.

Key Performance Indicators	Year ended 31 December 2019	Year ended 31 December 2018
Net asset value total return[1,2]	18.2%	-5.4%
Share price total return[1,2]	22.0%	-6.9%
Benchmark total return (net)[1]	17.5%	-6.6%
Discount to net asset value[2]	12.2%	14.3%
Revenue return per share – basic (cents)	18.10	15.13
Ongoing charges[2,3]	1.13%	1.03%
Retail element of share register	32.2%	32.8%

1 Calculated in US Dollar terms with dividends reinvested.
2 Alternative Performance Measures, see Glossary on pages 113 to 116.
3 Ongoing charges represent the management fee and all other recurring operating expenses excluding finance costs, direct transaction costs, custody transaction charges and taxation as a % of average shareholders' funds.

Principal risks

The Company is exposed to a variety of risks and uncertainties and the key risks are set out on the following pages. The Board has put in place a robust process to identify, assess and monitor the principal and emerging risks. A core element of this process is the Company's risk register. This identifies the risks facing the Company and assesses the likelihood and potential impact of each risk and the quality of controls operating to mitigate it. A residual risk rating is then calculated for each risk based on the outcome of the assessment. This approach allows the effect of any mitigating procedures to be reflected in the final assessment.

The risk register is regularly reviewed and the risks reassessed. The risk environment in which the Company operates is also monitored and regularly appraised. New risks are also added to the register as they are identified which ensures that the document continues to be an effective risk management tool. Since the year end, the COVID-19 pandemic has given rise to unprecedented challenges for businesses across the globe and the Board has taken into consideration the risks posed to the Company by the crisis and incorporated these into the Company's risk register.

The risk register, its method of preparation and the operation of key controls in the Manager's and third party service providers' systems of internal control are reviewed on a regular basis by the Audit Committee in order to gain a more comprehensive understanding of the Manager's and other third party service providers' risk management processes and how these apply to the Company's business. BlackRock's internal audit department provides an annual presentation to the Audit Committee chairmen of the BlackRock investment trusts setting out the results of testing performed in relation to BlackRock's internal control processes. Where produced, the Audit Committee also reviews Service Organisation Control (SOC 1) reports from the Company's service providers.

The Board has undertaken a robust assessment of both the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. Those principal risks have been described in the table that follows, together with an explanation of how they are managed and mitigated. Emerging risks are considered by the Board as they come into view and are incorporated into the existing review of the Company's risk register. They were also considered as part of the annual evaluation process. Additionally, the Manager considers emerging risks in numerous forums and the Risk and Quantitative Analysis team produces an annual risk survey. Any material risks of relevance to the Company identified through the annual risk survey will be communicated to the Board.

The Board will continue to assess these risks on an ongoing basis. In relation to the 2018 UK Corporate Governance Code, the Board is confident that the procedures that the Company has put in place are sufficient to ensure that the necessary monitoring of risks and controls has been carried out throughout the reporting period.

The current risk register includes a number of risks which have been categorised as follows:

- Counterparty;
- Investment performance;
- Income/dividend;
- Legal and regulatory compliance;
- Operational;
- Market;
- Financial; and
- Marketing

The principal risks and uncertainties faced by the Company during the financial year, together with the potential effects, controls and mitigating factors, are set out in the following table.

Principal Risk	Mitigation/Control
Counterparty Potential loss that the Company could incur if a counterparty is unable (or unwilling) to perform on its commitments.	Due diligence is undertaken before contracts are entered into and exposures are diversified across a number of counterparties. The Depositary is liable for restitution for the loss of financial instruments held in custody unless able to demonstrate the loss was a result of an event beyond its reasonable control.
Investment performance Returns achieved are reliant primarily upon the performance of the portfolio. The Board is responsible for: • deciding the investment strategy to fulfil the Company's objective; and • for monitoring the performance of the Investment Manager and the implementation of the investment strategy. An inappropriate investment strategy may lead to: • poor performance compared to the benchmark index and the Company's peer group; • a loss of capital; and • dissatisfied shareholders.	To manage this risk the Board: • regularly reviews the Company's investment mandate and long term strategy; • has set investment restrictions and guidelines which the Investment Manager monitors and regularly reports on; • receives from the Investment Manager a regular explanation of stock selection decisions, portfolio exposure, gearing and any changes in gearing and the rationale for the composition of the investment portfolio; and • monitors the maintenance of an adequate spread of investments in order to minimise the risks associated with factors specific to particular sectors, based on the diversification requirements inherent in the investment policy.
Income/dividend The Company's dividend policy is to pay dividends based on 1.25% of the US Dollar net asset value at each quarter end. Under this policy, a portion of the dividend is likely to be paid out of capital reserves, and over time this might erode the capital base of the Company, with a consequential impact on longer term total returns. The rate at which this may occur and the degree to which dividends are funded from capital are also dependent upon the level of dividends and other income earned from the portfolio. Income returns from the portfolio are dependent, among other things, upon the Company successfully pursuing its investment policy. Any change in the tax treatment of dividends or interest received by the Company, including as a result of withholding taxes or exchange controls imposed by jurisdictions in which the Company invests, may reduce the level of dividends received by shareholders.	The Board monitors this risk through the receipt of detailed income forecasts and considers the level of income at each meeting. The Company has the ability to make dividend distributions out of capital reserves as well as revenue reserves to support any dividend target. These reserves totalled $262,382,000 at 31 December 2019. The Board is mindful of the balance of shareholder returns between income and capital and monitors the impact of the Company's dividend on the Company's capital base and the impact over time on total return. Any changes to the Company's dividend policy are communicated to the market on a timely basis and shareholder approval will be sought for significant changes.

Principal Risk	Mitigation/Control
Legal and regulatory compliance The Company has been approved by HM Revenue & Customs as an investment trust, subject to continuing to meet the relevant eligibility conditions and operates as an investment trust in accordance with Chapter 4 of Part 24 of the Corporation Tax Act 2010. As such, the Company is exempt from capital gains tax on the profits realised from the sale of its investments. Any breach of the relevant eligibility conditions could lead to the Company losing investment trust status and being subject to corporation tax on capital gains realised within the Company's portfolio. In such event the investment returns of the Company may be adversely affected. Any serious breach could result in the Company and/or the Directors being fined or the subject of criminal proceedings or the suspension of the Company's shares which would in turn lead to a breach of the Corporation Tax Act 2010. Amongst other relevant laws and regulations, the Company is required to comply with the provisions of the Companies Act 2006, the Alternative Investment Fund Managers' Directive, the UK Listing Rules and Disclosure Guidance and Transparency Rules and the Market Abuse Regulation.	The Investment Manager monitors investment movements and the amount of proposed dividends, if any, to ensure that the provisions of Chapter 4 of Part 24 of the Corporation Tax Act 2010 are not breached. The results are reported to the Board at each meeting. Compliance with the accounting rules affecting investment trusts is carefully and regularly monitored. The Company Secretary and the Company's professional advisers provide regular reports to the Board in respect of compliance with all applicable rules and regulations. Following authorisation under the Alternative Investment Fund Managers' Directive (AIFMD), the Company and its appointed Alternative Investment Fund Manager (AIFM) are subject to the risks that the requirements of this Directive are not correctly complied with. The Board and the AIFM also monitor changes in government policy and legislation which may have an impact on the Company. The Market Abuse Regulation came into force across the EU on 3 July 2016. The Board has taken steps to ensure that individual Directors (and their Persons Closely Associated) are aware of their obligations under the regulation and has updated internal processes, where necessary, to ensure the risk of non-compliance is effectively mitigated.
Operational In common with most other investment trust companies, the Company has no employees. The Company therefore relies on the services provided by third parties. Accordingly, it is dependent on the control systems of the Manager and The Bank of New York Mellon (International) Limited (the Depositary and Fund Accountant) who maintain the Company's assets, dealing procedures and accounting records. The security of the Company's assets, dealing procedures, accounting records and adherence to regulatory and legal requirements depend on the effective operation of the systems of these other third party service providers. There is a risk that a major disaster, such as floods, fire, a global pandemic or terrorist activity, renders the Company's service providers unable to conduct business at normal operating capacity and effectiveness. Failure by any service provider to carry out its obligations to the Company could have a material adverse effect on the Company's performance. Disruption to the accounting, payment systems or custody records could prevent the accurate reporting and monitoring of the Company's financial position.	Due diligence is undertaken before contracts are entered into with third party service providers. Thereafter, the performance of the provider is subject to regular review and reported to the Board. Most third party service providers produce Service Organisation Control (SOC 1) reports to provide assurance regarding the effective operation of internal controls as reported on by their reporting accountants. These reports are provided to the Audit Committee for their review. The Company's assets are subject to a strict liability regime and in the event of a loss of financial assets held in custody, the Depositary must return assets of an identical type or the corresponding amount, unless able to demonstrate the loss was a result of an event beyond its reasonable control. The Board reviews the overall performance of the Manager, Investment Manager and all other third party service providers and compliance with the Investment Management Agreement on a regular basis. The Board also considers the business continuity arrangements of the Company's key service providers on an ongoing basis and reviews these as part of their review of the Company's risk register. In respect of the unprecedented and emerging risks posed by the COVID-19 pandemic in terms of the ability of service providers to function effectively, the Board have received reports from key service providers (the Manager, the Depositary, the Custodian, the Fund administrator, the Broker, the Registrar and the printers) setting out the measures that they have put in place to address the crisis in addition to their existing business continuity framework. Having considered these arrangements and reviewed the level of service in recent weeks as the crisis has evolved, the Board are confident that a good level of service will be maintained.

Principal Risk	Mitigation/Control
Market Market risk arises from volatility in the prices of the Company's investments. It represents the potential loss the Company might suffer through holding investments in the face of negative market movements. There may be exposure to significant economic, political and currency risks due to the location of the operation of the businesses in which the Company may invest, or as a result of a global economic crisis such as the COVID-19 pandemic. Shares in businesses in which the Company invests can prove volatile and this may be reflected in the Company's share price. The Company may also invest in smaller capitalisation companies or in the securities markets of developing countries which are not as large as the more established securities markets and have substantially less trading volume, which may result in a lack of liquidity and higher price volatility. Market risk includes the potential impact of events which are outside the scope of the Company's control, such as the UK's decision to leave the European Union.	The Board considers asset allocation, stock selection, unquoted investments, if any, and levels of gearing on a regular basis and has set investment restrictions and guidelines which are monitored and reported on by the Investment Manager. The Board monitors the implementation and results of the investment process with the Investment Manager. The Board also recognises the benefits of a closed end fund structure in extremely volatile markets such as those experienced in recent weeks as the COVID-19 pandemic escalates. Unlike open ended counterparts, closed end funds are not obliged to sell down portfolio holdings at low valuations to meet liquidity requirements for redemptions. During times of elevated volatility and market stress, the ability of a closed end fund structure to remain invested for the long term enables the portfolio managers to adhere to disciplined fundamental analysis from a bottom-up perspective and be ready to respond to dislocations in the market as opportunities present themselves.
Financial The Company's investment activities expose it to a variety of financial risks that include interest rate, currency and liquidity risk.	Details of these risks are disclosed in note 16 to the financial statements, together with a summary of the policies for managing these risks.
Marketing Marketing efforts are inadequate or do not comply with relevant regulatory requirements, and fail to communicate adequately with shareholders or reach out to potential new shareholders, resulting in reduced demand for the Company's shares and a widening discount.	The Board focuses significant time on communicating directly with the major shareholders and reviewing marketing strategy and initiatives. All investment trust marketing documents are subject to appropriate review and authorisation.

As required by the UK Corporate Governance Code, the Board has undertaken a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. Those principal risks have been described in the above table together with an explanation of how they are managed and mitigated. The Board will continue to assess these risks on an ongoing basis.

Viability statement

In accordance with provision 31 of the 2018 UK Corporate Governance Code, the Directors have assessed the prospects of the Company over a longer period than the 12 months referred to by the 'Going Concern' guidelines. The Board recognises that it is obliged to propose a biennial continuation vote, with the next vote at the AGM on 29 June 2020, and the Board proposes to offer a tender for 24.99% of the Company's ordinary shares in issue (excluding treasury shares) at the AGM in 2022 if certain conditions are met. The outcome of these events are unknown at the present time. In addition, the Board is cognisant of the uncertainty surrounding the potential duration of the COVID-19 pandemic and its impact on the global economy and the prospects for many of the Company's portfolio holdings. Notwithstanding these uncertainties, given the factors stated below, the Board expects the Company to continue for the foreseeable future and has therefore conducted this review for the period up to the AGM in 2023, being a period of three years from the date of approval of this report. The Board considers three years to be an appropriate time horizon, being the period generally used to assess potential investments.

In choosing this period for its assessment of the viability of the Company the Directors have considered the following matters:

- The tender mechanism put in place by the Board in 2018 provides investors with liquidity through the ability to tender up to 24.99% of the issued share capital of the Company in 2022 if certain discount and performance targets are not met. Shareholders voted in favour of continuation at the May 2018 AGM shortly after this mechanism was put in place (March 2018), which the Board believes was a clear indication that shareholders were supportive of the continuation of the Company in return for the liquidity provided by the tender mechanism. The Board has had no indication that shareholder views have changed in this regard;

Strategic report continued

- the Board and the Company's broker are confident, based on their knowledge of the shareholders of the Company and their long term relationships with all of the core shareholders of the Company and discussions with them, that the continuation vote at the AGM in June 2020 will be passed by a significant majority of shareholders;
- the Company has a relatively liquid portfolio (as at 31 December 2019, 100% of the portfolio was estimated as being capable of being liquidated within 14 days with 95% capable of being liquidated within 3 days);
- the Board has reviewed portfolio liquidity as at 2 April 2020 in light of the impact of the COVID-19 pandemic on global market liquidity. As at 2 April 2020, 100% of the portfolio was estimated as being capable of being liquidated within 14 days with 95% capable of being liquidated within 3 days;
- the Company's expenses and liabilities are relatively stable and represent a very small percentage of net assets (1.13% for the year ended 31 December 2019, and estimated at 1.24% based on recent market falls as at 2 April 2020 as set out in note 21 on page 102);
- the Board have reviewed the Company's revenue and expense forecasts in light of the COVID-19 pandemic and its anticipated impact on dividend income and market valuations. In particular, these forecasts have been modelled taking into account the market falls in the Company's portfolio between the year end and 2 April 2020 in excess of 51% as disclosed in note 21 on page 102. The Board are comfortable that the Company's business model remains viable and that the Company has sufficient resources to meet all liabilities as they fall due for the period under review;
- the Company's business model should remain attractive for much longer than the period up to the AGM in 2023, unless there is a significant economic or regulatory change;
- to the extent that the tender offer proceeds in 2022 and is fully subscribed, the Company would remain a viable size and would retain a liquid portfolio with ongoing expenses and liabilities still representing a very small percentage of net assets;
- the Company has a $40 million bank overdraft facility in place to meet liquidity requirements, subject to a maximum restriction of 30% of net asset value. As at 2 April, this facility had an unutilised margin of US$30 million for the Company to draw on for liquidity purposes;
- the Board keep the Company's principal risks and uncertainties as set out above under review, and are confident that the Company has appropriate controls and processes in place to manage these and to maintain its operating model, even given the global economic challenges posed by COVID-19;
- the impact of a significant fall in Latin American markets on the value of the Company's investment portfolio;
- the ongoing relevance of the Company's investment objective, business model and investment policy in the current environment (in particular the Company's closed end structure which provides intraday liquidity to investors and the ability for the portfolio managers to invest over a longer term time horizon than many open-ended peers);
- the operational resilience of the Company and its key service providers (the Manager, Depositary, Custodian, Fund administrator, Registrar and Broker); and
- the level of demand for the Company's shares.

The Company will undertake its biennial continuation vote at the forthcoming Annual General Meeting and the Board has reviewed the potential impact that this may have on the Company's viability. The Board is confident that the continuation vote will be passed and have prepared the viability statement under this assumption.

The Directors have also reviewed the assumptions and considerations underpinning the Company's existing going concern assertion which are based on:

- the operational robustness of key service providers and their ability to continue to provide a good level of service for the foreseeable future;
- the effectiveness of business continuity plans in place for the Company and key service providers in particular in respect of COVID-19;
- processes for monitoring costs;
- key financial ratios;
- evaluation of risk management and controls;
- portfolio risk profile;
- share price discount to NAV;
- gearing; and
- counterparty exposure and liquidity risk.

Based on the results of their analysis, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment.

Future prospects

The Board's main focus is the achievement of capital growth and an attractive total return. The future of the Company is dependent upon the success of the investment strategy. The outlook for the Company is discussed in both the Chairman's Statement and the Investment Manager's Report.

Social, community and human rights issues

As an investment trust with no employees, the Company has no direct social or community responsibilities or impact on the environment. However, the Company believes that it is in shareholders' interests to consider human rights issues, environmental, social and governance factors when selecting and retaining investments. Details of the Company's policy on socially responsible investment are set out on pages 62 and 63.

Modern Slavery Act

As an investment vehicle the Company does not provide goods or services in the normal course of business, and does not have customers. Accordingly, the Directors consider that the Company is not required to make any slavery or human trafficking statement under the Modern Slavery Act 2015. In any event, the Board considers the Company's supply chains, dealing predominantly with professional advisers and service providers in the financial services industry, to be low risk in relation to this matter.

Directors, gender representation and employees

The Directors of the Company on 31 December 2019, all of whom held office throughout the year, are set out in the governance structure and Directors' biographies on pages 41 to 45.

As at the date of this report, the Board consists of two men and three women.

The Company does not have any employees, therefore there are no disclosures to be made in that respect.

The Chairman's Statement on pages 4 to 8, along with the Investment Manager's Report and portfolio analysis on pages 24 to 35 form part of the Strategic Report.

The Strategic Report was approved by the Board at its meeting on 7 April 2020.

By order of the Board

SARAH BEYNSBERGER
For and on behalf of
BlackRock Investment Management (UK) Limited
Company Secretary
7 April 2020

Investment manager's report

SAM VECHT

ED KUCZMA

Market Overview

Latin American performance was relatively volatile throughout 2019 as sentiment shifted across the region, swayed by reform news in Brazil, inflation and election concerns in Argentina, changing policy expectations in Mexico and social unrest in Chile. The region (as represented by the MSCI EM Latin America Index (Net Return)) ended the year up 17.5%[1], slightly underperforming the broader MSCI Emerging Market Index, which was up 18.4%[1]. Over the year ended 31 December 2019 the Company's net asset value per share (NAV) rose by 18.2%[1, 2] and the share price rose by 22.0%[1, 2].

Coming into the year, Brazilian momentum remained positive, as signs of an economic rebound persisted, and the market priced in a quick resolution to social security reform. However, lacklustre economic activity and delays on the reform front resulted in a sharp correction early in the year. The market rebounded in the second quarter as reforms got back on track and a dovish central bank indicated the potential for further easing. The market performed well in the fourth quarter of 2019 following better than expected GDP growth, congressional approval of the much-awaited pension bill, and the central bank undertaking a project of foreign currency reform. Brazil ended the year up +26.3%[1]. Mexico ended the year +11.4%[1] as the market was impacted by foreign currency depreciation early in the year and remained tempered amid concerns over Andres Manuel López Obrador's administration's policy focuses, particularly over the government's ability to balance expected infrastructure spending with surplus targets. Central bank rate cuts have been supportive, but declining GDP, and the lowest PMI (Purchasing Managers' Index) since the 2016 U.S. elections

[1] All calculations in US Dollars with dividends reinvested.
[2] Alternative performance measure, see Glossary on page 115.

Rail operator, Rumo Logística Operadora Multimodal, was another top contributor to portfolio performance in the year, benefiting from winning the tender for a 30-year concession to complete and operate the 1,537 km southern section of the Ferrovia Norte-Sul corridor linking Porto Nacional in Tocantins to Estrela d'Oeste in São Paulo state. Rumo already operates four railway concessions, following the merger of Rumo Logística and América Latina Logística in 2016. It runs a network of around 12,000 route-km, mainly in the states of São Paulo and Mato Grosso and the far south.

have largely offset any impact. Colombia (+30.8%[1]) was the region's top performing country in 2019 due in part to healthy domestic demand, anchored inflation and oil price strength into the year-end.

On the other hand, despite a strong first half of 2019, supported by the country's reclassification to 'Emerging Market' and subsequent inclusion in the MSCI Emerging Market Index, Argentina sold off dramatically in August after incumbent president Mauricio Macri lost the primary elections by a surprisingly large margin, concerns over a potential sovereign default down the line and increased capital controls. The market lost roughly half its market capitalisation (-50.4%[1]) over the month, while the Argentine Peso corrected -26.3%. MSCI's decision to keep the country's 'Emerging Market' classification helped boost market performance in the fourth quarter of 2019, but the market still ended the year down -20.8%[1] and was the region's biggest loser. Chile (-16.9%[1]) also ended 2019 in negative territory, plagued by weak sentiment surrounding tax reform earlier in the year. Persistent social unrest and increasingly violent demonstrations was the primary source for further declines and has put pressure on the government to release a social package and reshuffle its cabinet, while the Banco Central de Chile announced a foreign exchange intervention program to support the currency.

Portfolio Review

The Company posted a 18.2%[1,2] gain in its US Dollar NAV for the year ended 31 December 2019 which outperformed the 17.5%[1] return on the MSCI EM Latin America Index on a net return basis over the year.

At the individual country level, our underweight positioning to Chile was the dominant driver to relative returns over the year. Despite a positive start to the year supported by commodity prices, demonstrations and social unrest escalated through year-end putting pressure on both the currency and domestic equity markets. A position in miner, Antofagasta, was within our broader allocation decision, as the pure copper play benefitted from strong production, low global inventory levels and recovering consumption. The Company's levered position (average 109.2% gearing) contributed positively as we were able to express conviction across Brazil. Home builder, Cyrela Brazil Realty, was the year's best performer on the back of operational momentum and

[1] All calculations in US Dollars with dividends reinvested.
[2] Alternative Performance Measures, see Glossary on page 115.

Shifting expectations on grain exports, following heightened U.S.-China trade tensions and the impact of African Swine Flu on global supply chains, benefited portfolio holding Rumo Logística Operadora Multimodal which operates grain storage facilities in Brazil.

Investment manager's report continued

increased lending support for home buyers. Rail operator, Rumo Logística Operadora Multimodal, was another top contributor benefiting from concession renewals and shifting expectations on grain exports, following heightened U.S.-China trade tensions and the impact of African Swine Flu on global supply chains. Healthcare names such as Qualicorp and Notre Dame Intermedica Participações, have also performed well. The latter, which has delivered better than expected growth via M&A activity and maintains an edge over competition, has seen strong price momentum following a successful rights offering in December. Outside of Brazil, Mexican airport operator, Grupo Aeroportuario del Pacifico, was another strong performer following a larger than expected tariff increase in the fourth quarter, and a more pragmatic and business friendly stance from regulators.

On the other hand, our Argentine overweight exposure into the summer was the primary detractor to relative performance. The portfolio management team's view that President Macri's conservative government would see a second term was not realised, as populist candidate Alberto Fernandez took a commanding lead in the August elections, shaking market confidence, prompting a sell-off of almost 50%. Overweights to Banco Macro, utility company Pampa Energía, and energy firm YPF were among the largest detractors alongside a collapse in the equity and foreign currency markets. Detractors in Brazil, were primarily driven by stock specific selections. An off-benchmark position in telecom, Oi SA, weighed on performance as industry reforms stalled. Further a lack of positioning in retailer, Magazine Luiza, detracted as the company maintained strong top-line growth and sequential acceleration. Similarly, a lack of positioning in food producer, JBS, hurt relative returns as the company benefitted from the severity in African Swine Fever which impacted hog supply globally. Better than expected earnings results and continued deleveraging were both supportive of positive price momentum over the year.

Portfolio Positioning

The Company continues to evolve the portfolio with enhancements in strategy made at the beginning of the year as our primary guideposts. Such enhancements include a reduction in the number of positions in the portfolio, which allows the portfolio to concentrate positions in high conviction ideas, as well as taking a more tactical approach to the use of gearing. The combination of these enhancements is designed to make individual stock selection a prominent determinant of portfolio performance.

During the year ended 31 December 2019, we reduced leverage in the portfolio, notably reducing exposure to Brazil, though it remains the Company's's largest overweight exposure. During the year, we trimmed our position in Vale following the collapse of a tailings dam at one of their mines in Brumadinho, and further reduced the position in the second half of the year as strong iron ore prices attracted additional supply midway through the year. Similarly, we exited a position in long steel producer Gerdau, amid increased pricing pressure from domestic competitors.

Elsewhere, we rotated exposure from financials into more defensive staples and healthcare names. We specifically initiated a position in AmBev following a strong second quarter of 2019, citing the company's ability to benefit from the diversification and innovation of its portfolio, despite a tough macro environment. In the healthcare sector, we initiated positions in service-oriented names, Notre Dame Intermedica Participações and Qualicorp. Although our overweight market exposure to Mexico persisted, we rotated exposure within the country over the year, notably reducing market exposure to financials, while adding to real estate and industrial names. Within the smaller markets, we started a position in Southern Copper. The stock is expected to benefit from supply disruptions, due to labour unrest in Chile. We also increased exposure to Colombia, through a purchase of Ecopetrol following the mid-year sell-off in oil.

In determining portfolio construction, focus is given to the four 'C's, namely; Commodities, Currency, Consumption and Credit. More detail is given in the chart below.

The four "C"s of Latin America portfolio construction

Commodities

- Moderation in global growth outlook, led by China.
- Improving supply discipline favours energy sector.
- Improving economic cycle in Brazil allows for exposure to Brazilian steel stocks.
- No exposure to Mexican mining companies due to regulatory concerns.

Currencies

- Outlook for appreciation in the Brazilian real and stabilization in the Argentinian peso leads to above benchmark exposure to Brazil and Argentina.
- Uncertainty on the Mexican peso leads to neutral Mexico positioning.
- Pressure expected on currencies in Chile and Peru.

Consumption

- Historically low interest rates, moderate inflation and improving unemployment make Brazilian consumer stocks attractive.
- The new Mexican administration's social programmes should support positions in Mexican beverage companies, convenience stores and hypermarkets.
- The portfolio reflects a structural shift to e-commerce at the expense of department stores and shopping malls.

Credit

- The low level of household and corporate indebtedness allows for supportive loan growth and low level of delinquency for the Brazilian bank sector.
- Lower economic activity and expensive valuations have precluded exposure to Chilean banks.
- Emphasis on financial inclusion and improving credit penetration offset policy fears in Mexico.

Outlook

While the political landscape in the Latin American region continues to present both opportunities and challenges in equity markets, at the start of 2020 we were encouraged as the external environment appeared to support asset prices due to reduction in trade tensions between the U.S. and China and global coordination to maintain low interest rates, supporting economic expansion.

However as we move through the first quarter of 2020, the COVID-19 pandemic has created unprecedented market uncertainty and it is inevitable that the crisis will significantly impact the global economy. At the time of writing (6 April 2020), the MSCI Latin America index is down -45.6% year to date. Global equity markets sold-off aggressively on the back of increasing concerns over the impact of COVID-19 and a significant drop in oil prices. Metals commodities have been hit hard, which we think means that the market is already pricing significantly lower global growth over the next quarters. Our base case is that COVID-19 will be less of a driver of volatility in the markets within the next six months and that China and large western economies will launch significant stimulus to reverse the negative economic impact of the crisis. During times of elevated volatility and market stress, we find it important to focus on the long term investment horizon, adhere to disciplined fundamental analysis from a bottom-up perspective and be ready to respond to dislocations in the market as opportunities present themselves.

It is also important to reflect on the scale and speed of the current market downturn relative to prior market falls. The amount of indiscriminate selling of securities at any price is the sign of a true market panic. In our opinion, the volatility seen in markets as a result of current biosecurity fears have inevitably created dislocations in market valuations that are not consistent with long term fundamentals of the stocks we invest in. For example, the current value of Brazilian equites in US Dollar terms, as measured by the local stock index, is of a similar value today as it was in 2005, which in our opinion represents a tremendous opportunity given the economic advances that the country has gone through in the last fifteen years. In our view, when other market participants are fearful, is precisely the time when long term investors will benefit from being brave.

Our constructive long term thesis for Brazilian equities remains and is based on three pillars:

i) a gradual local economic recovery;

ii) low interest rates; and

iii) structural reforms.

On the economic recovery, our expectations have been readjusted downwards amid signs of cooling economic activity in the first quarter of 2020 and the global economic slowdown. Low interest rates could be a silver lining, as the Brazilian Central Bank has signalled that it may take steps to mitigate the effects of the COVID-19 pandemic on the domestic economy. On the structural reforms, we look for progress in administrative and tax reforms, yet growing tensions between the executive and legislative branches have raised concerns about the likelihood of a positive short-term outcome. However, if the reform agenda gets back onto centre stage, Brazil could outperform its emerging market peers.

We expect the Colombian index performance to continue fluctuating in tandem with oil prices over the medium term. However, compared with the oil shock in the second half of 2014, Colombian stocks have been trading at lower valuations before the correction started (14x trailing P/E vs. 17x by mid-2014) which, in our view, may mitigate the extent of the downside from current levels. At the same time, Colombian companies are entering this period with increased debt levels (2.5x net debt / trailing EBITDA vs. 2.0x by mid-2014) which may prove problematic if a downturn scenario persists for extended period. From a top-down standpoint, the Colombian government is less dependent on oil, but has limited room to manoeuvre. Oil represents ~8.5% of Colombian government revenue (1.4% of GDP in 2019), down from almost 20% in 2013. This transition has come at the cost of increased debt levels (51.6% debt/GDP in 2019 vs. 37.1% in 2013), which in our view limits the government's ability to implement countercyclical policies if the oil shock persists.

In Mexico, falling oil prices have tightened the government's fiscal rope even further, making it hard for it not to contemplate a higher deficit in 2020. Pemex (the Mexican state-owned petroleum company) losses could be offset with government savings, but given the expected weakness in the economy, it's increasingly likely the government will have to increase the deficit through spending. The government has said it will revisit fiscal policy in April, to decide whether or not to cut fiscal spending. Despite the impact from lower oil prices on the economy, we believe Mexico could be viewed as a defensive market in the current environment given that the companies listed in Mexico have low level of financial leverage and the market was already trading at relatively inexpensive valuations heading into the current volatility which can limit the downside as external conditions remain challenging.

The volatility in equity markets is creating real opportunities for investors with a long term investment horizon. At the time of this writing, we are not ready to buy widely yet, but we note that the current volatility is offering opportunities in places where business models are perceived to be ultra-resilient in the current environment in Latin America such as e-commerce, real estate, healthcare and education names, which we believe are well suited to withstand current bouts of market turbulence given robust and dynamic business models, balance sheets and management teams. We have taken an active approach to managing the portfolio by proactively positioning the Company to reduce exposure to companies with high financial leverage, while at the same time, promoting stocks which we perceive to have a high degree of visibility in respect of earnings and free cash flow generation. In addition we have reduced portfolio beta and portfolio gearing to have dry powder to redeploy funds as opportunities present themselves. We still believe that markets have not yet fully grasped the full extent of the economic impact of the demand shock. We expect volatility to remain elevated and look forward to taking advantage of dislocations in valuations relative to underlying fundamentals.

SAM VECHT & ED KUCZMA
BlackRock Investment Management Limited
7 April 2020

Portfolio

The Brazilian economy was buoyed by an increase in oil production in 2019; Brazil produced more than one billion barrels of oil in the year with national oil production rising by 7.78% in 2019 (source: ANP (National Agency of Petroleum, Gas, and Biofuels)).

Ten largest investments

1 ▲ 2018 3rd

Petrobrás

Integrated oil company

Market Value – ADR	$	15,624,000
Market Value – Preference shares	$	11,621,000
Share of portfolio	%	9.1

Brazilian integrated oil and gas company, operating in the exploration and production, refining, marketing, transportation, petrochemicals, oil product distribution, natural gas, electricity, chemical-gas and biofuel segments of the industry. The company controls significant assets across Africa, North and South America, Europe and Asia, with a majority of production based in Brazil.

2 ▶ 2018 2nd

Itaú Unibanco

Bank

Market Value – ADR	$	22,381,000
Share of portfolio	%	7.5

Brazil's largest private sector bank and the largest Latin American bank by assets and market capitalization, born through the merger of Banco Itau and Unibanco in 2009. The company's presence spans across the Americas, Europe and Asia, offering a blend of retail, private banking, and investment and corporate banking services.

3 ▼ 2018 1st

Banco Bradesco

Bank

Market Value – ADR	$	17,258,000
Share of portfolio	%	5.7

One of Brazil's largest private sector banks, the company divides its operations in two main areas – banking services and insurance services, management of complementary private pension plans and savings bonds.

4 ▶ 2018 4th

Vale

Diversified mining company

Market Value – ADS	$	14,105,000
Share of portfolio	%	4.7

One of the world's largest mining companies, with other business in logistics, energy and steelmaking. Vale is the world's largest producer of iron ore and nickel but also operates in the coal, copper, and manganese and ferro-alloys sectors.

5 ▶ 2018 5th

América Movil

Telecommunications company

Market Value – ADR	$	13,432,000
Share of portfolio	%	4.5

The leading provider of integrated telecommunications services in Latin America, with wireless and fixed-line presence in Latin America, the US, and Central and Eastern Europe. The company touts the largest wireless subscriber base in the world outside of China and India.

6 ▲ 2018 12th

Banco do Brasil

Bank

Market Value – Ordinary Shares	$	13,104,000
Share of portfolio	%	4.4

State-owned lender that is the country's oldest financial institution and largest bank by assets.

7 ▼ 2018 6th

FEMSA

Retail group

Market Value – ADR	$	9,996,000
Share of portfolio	%	3.3

The Mexican holding company that provides an investment vehicle to Mexico's domestic retail market via its controlling interest in Coca-Cola's largest independent bottler, Coca-Cola Femsa and Mexico's fastest growing retailing chain, Oxxo, which has over 16,500 convenience stores throughout Mexico and Colombia. The company also has a 15% stake in global brewer Heineken.

8 ▲ 2018 10th

Walmart de Mexico y Centroamerica

Retailer

Market Value – Ordinary Shares	$	9,672,000
Share of portfolio	%	3.2

The Mexican and Central American division of Wal-Mart Stores Inc, with operations in Mexico, Guatemala, El Salvador, Honduras, Nicaragua, and Costa Rica. The company operates 8 brands in the region, covering the discount, winery, supermarket, and supercenter segments.

9 ▼ 2018 8th

Grupo Financiero Banorte

Bank

Market Value – Ordinary Shares	$	8,420,000
Share of portfolio	%	2.8

Mexico's second largest financial group, with the business diversification in the market. It operates as a universal bank, providing in addition, a wide array of products and services through its broker dealer, annuities & insurance companies, mutual funds, leasing & factoring company and warehousing. The financial group's retirement savings fund company Afore XXI Banorte, is the largest in the country in AUM.

10 ▲ 2018 n/a

Ternium

Steel manufacturer

Market Value – ADR	$	7,724,000
Share of portfolio	%	2.6

A leading steel company in Latin America, with a high integrated process to manufacture flat and long steel products. The company maintains production centres in Argentina, Brazil, Mexico, Colombia, the southern United States, and Central America.

All percentages reflect the value of the holding as a percentage of total investments. Together, the ten largest investments represent 47.8% of the total investments (ten largest investments as at 31 December 2018: 56.2%).

Portfolio

as at 31 December 2019

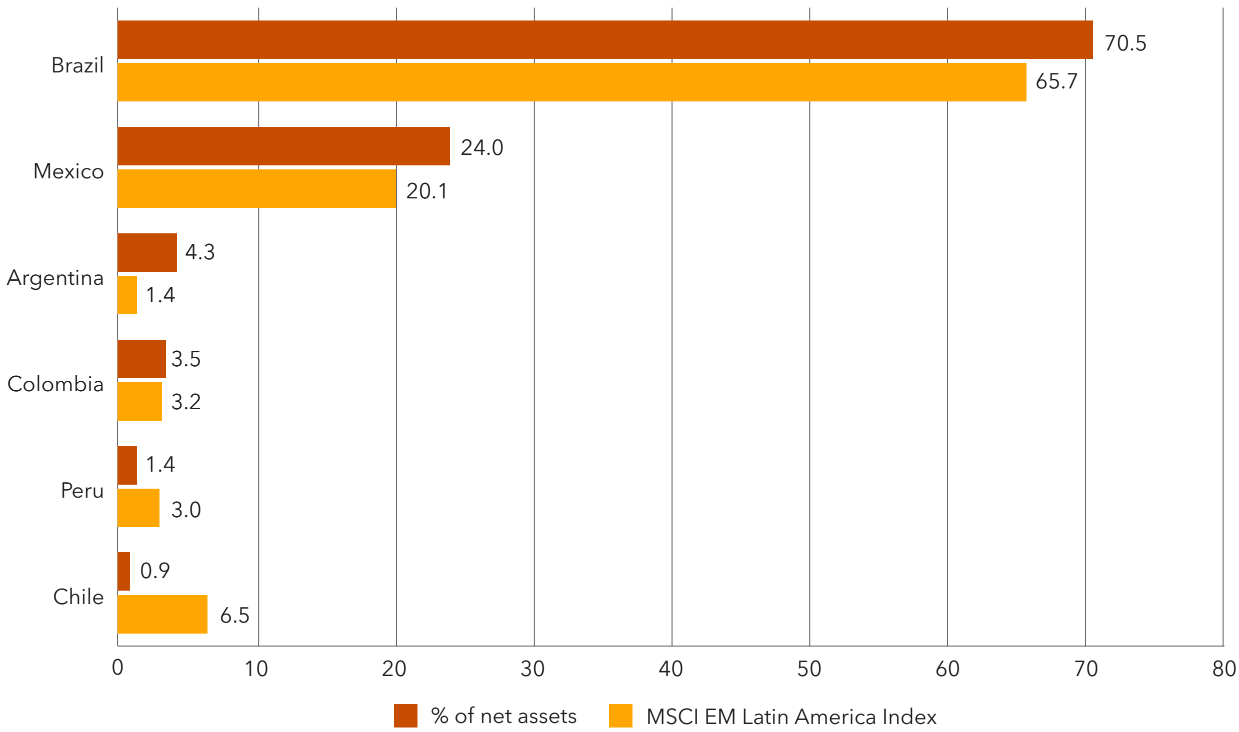
	Market value	% of investments
	US$'000	
Brazil		
Petrobrás – ADR	15,624	9.1
Petrobrás – preference shares – ADR	11,621	
Itaú Unibanco – ADR	22,381	7.5
Banco Bradesco – ADR	17,258	5.7
Vale – ADS	14,105	4.7
Banco do Brasil	13,104	4.4
B2W CIA Digital	7,643	2.5
AmBev – ADR	7,576	2.5
Cia Brasileira De Distribuição	7,469	2.5
Energisa – units	6,652	2.2
Cyrela Brazil Realty	6,013	2.0
Gol Linhas Aéreas	6,000	2.0
B3	5,965	2.0
Rumo Logística Operadora Multimodal	5,736	1.9
Suzano Papel e Celulose	5,465	1.8
Companhia de Locacao	5,197	1.7
Lojas Americanas – preference shares	5,054	1.7
Lojas Americanas – rights	4	
Light	4,920	1.6
Fleury	4,840	1.6
SulAmérica – units	4,702	1.6
Notre Dame Intermedica Participações	4,272	1.4
Arco Platform	3,742	1.3
Via Varejo	3,673	1.2
Linx	3,655	1.2
Petrobas Distribuidora	3,584	1.2
Azul – ADR	3,528	1.2
Iochpe-Maxion	2,597	0.9
Klabin 7.25% 15/06/20 convertible bond	236	
Klabin 2.5% 15/06/22 bond	109	0.1
Klabin warrants 15/06/20	–	
Neoenergia	30	–
	202,755	**67.5**

	Market value US$'000	% of investments
Mexico		
América Movil – ADR	13,432	4.5
FEMSA – ADR	9,996	3.3
Walmart de México y Centroamérica	9,672	3.2
Grupo Financiero Banorte	8,420	2.8
Cemex SAB – ADR	7,230	2.4
Grupo Aeroportuario del Pacifico – ADS	5,092	2.2
Grupo Aeroportuario del Pacifico	1,449	
Fibra Uno Administracion – REIT	6,255	2.1
Arca Continental	3,408	1.1
Corporación Inmobiliaria Vesta	3,088	1.0
Grupo Cementos de Chihuahua	928	0.3
	68,970	**22.9**
Argentina		
Ternium – ADR	7,724	2.6
YPF – ADR	4,672	1.6
Banco Macro – ADR	1	–
	12,397	**4.2**
Colombia		
Ecopetrol – ADR	5,359	1.8
Bancolombia – ADR	4,550	1.5
	9,909	**3.3**
Peru		
Southern Copper	4,051	1.3
	4,051	**1.3**
Chile		
Empresas CMPC	2,489	0.8
	2,489	**0.8**
Total Investments	**300,571**	**100.0**

All investments are in equity shares unless otherwise stated.

The total number of investments held at 31 December 2019 was 49 (31 December 2018: 56). At 31 December 2019, the Company did not hold any equity interests comprising more than 3% of any company's share capital (31 December 2018: nil).

Geographical Weighting (gross market exposure) vs MSCI EM Latin America Index



Sources: BlackRock and MSCI.

Sector and geographical allocations

	Brazil	Mexico	Argentina	Colombia	Peru	Chile	Net other liabilities	2019 Total	2018 Total
	%	%	%	%	%	%	%	%	%
Communication Services	–	4.7	–	–	–	–	–	4.7	6.6
Consumer Discretionary	10.3	–	–	–	–	–	–	10.3	12.1
Consumer Staples	5.2	8.0	–	–	–	–	–	13.2	10.0
Energy	9.5	–	1.6	1.9	–	–	–	13.0	9.7
Financials	22.1	2.9	–	1.6	–	–	–	26.6	35.9
Health Care	3.2	–	–	–	–	–	–	3.2	0.8
Industrials	8.0	2.3	–	–	–	–	–	10.3	9.4
Information Technology	1.3	–	–	–	–	–	–	1.3	2.4
Materials	6.8	2.8	2.7	–	1.4	0.9	–	14.6	18.7
Real Estate	–	3.3	–	–	–	–	–	3.3	0.1
Utilities	4.0	–	–	–	–	–	–	4.0	3.2
Fixed Income	0.1	–	–	–	–	–	–	0.1	0.1
Net other liabilities	–	–	–	–	–	–	(4.6)	(4.6)	(9.0)
2019 total	70.5	24.0	4.3	3.5	1.4	0.9	(4.6)	100.0	–
2018 total	79.7	23.4	0.9	1.5	–	3.5	(9.0)	–	100.0

Thought Leadership: Variety is the Spice of Latin America

SAM VECHT

ED KUCZMA

Looking back at 2019, Latin America saw a series of divergent trends across economic and political spectrums in the region. As fund managers with an active and tactical approach to investing in the region, political dynamics in each country create several opportunities and challenges when it comes to managing a portfolio. The differences between each country provides a tremendous opportunity for fundamental active equity investors to differentiate returns from that of the benchmark, as we strive to generate alpha for clients.

In order to find tangible examples of this variety amongst Latin American countries, one needs to look no further than the approval ratings for the various political leaders in Latin America. Unexpected protests that emerged in Santiago, Chile in October of last year due to social discontent from rising disparity across the socio-economic spectrum resulted in increased uncertainty related to Chile's economic fundamentals. The violent and dramatic actions of frustrated citizens with demands for change also sent the approval ratings for President Sebastian Pinera to 6%, which may be a historical low that we believe is unmatched by any country that we have had experience investing in throughout our professional careers.

Pinera's low approval rating is in stark contrast to the rating of Mexico's Andres Manuel Lopez Obrador (AMLO), who has consistently scored in the high 60's-to-low 70's despite Mexico's stagnant economic growth in 2019 and the country enduring its most violent year on record with crime spreading increasingly to regions that typically have not experienced significant levels of violence. Important industrial and tourist hubs are now facing more substantial security problems, which will likely inflict a greater toll on the economy and business environment. Throughout AMLO's tenure as president, business confidence has been suppressed which has had a dramatic impact on private investment in the country. Despite the challenges that the Mexican economy faces, it is unlikely that President AMLO will develop a new strategy to combat the rise in violence and a lack of private investment as he remains convinced that his current plans will eventually

The differences between each country in the Latin American universe provide a tremendous opportunity for fundamental active equity investors to differentiate returns from that of the benchmark.

yield results and the high rating of approval reinforces this notion. The lesson here could be that high approval rating and lackluster economic trends appear to be at odds with one another and the necessary changes needed to stimulate growth is unlikely to happen unless AMLO's approval rating suffers first.

As approval ratings are helpful in determining an administrations' chance of re-election to an additional term, it is important to gauge achievements in economic growth as a condition for rising public support. Brazilian President, Jair Bolsonaro, started the first year of his term in 2019 with public support levels which were lower than the four previously elected presidents in Brazil during their respective first years in office. Newspaper headlines seemed to suggest that the President would face a negative trajectory regarding approval ratings given unpopularity of some of his social and environmental stances. After a rapid drop in support in the first half of 2019, Bolsonaro has been able to leverage his solid base of support and a recovering economy to reach 48% approval in January 2020 according to a public opinion poll released by CNT/MDA, up from 41% in August of 2019. In addition, Bolsonaro continues to score well on two key issues which are on top of the mind for voters: corruption and security. As a former military captain, Bolsonaro is seen as strong on combating corruption and the homicide rate has dropped by over 21% during the first nine months of his term.

Regarding Brazil's fiscal policy, continuity of the government's reform agenda is an absolute must to take Brazil to the next level. The approval of the pension reform in 2019 was a fundamental positive achievement for Brazil, and Bolsonaro's administration, but further changes are required to continue to advance the fiscal adjustment. Government spending as a percentage of GDP has stabilized, after increasing constantly in the last decades. Stabilization is not enough; Brazil needs to continue to transition so the driver of growth is led by the private sector and it is up to policy makers to provide the necessary conditions to promote private investment. It took many years under a previous fiscal regime to drive Brazil into deep recession in 2015 and 2016 and the pension reform helped to consolidate a new fiscal regime. Despite the improvements, nominal deficit remains high, but has been improving and gross public debt to GDP needs to improve further for the government to claim victory on fiscal policy. We are watching carefully to see if companies respond with increased capex investment and credit demand that can drive the next growth phase for the Brazilian economy. In 2019, we have seen a great deal of credit demand driven by lower interest rates that has allowed Brazilian corporates to refinance existing debt at a cheaper cost of funding. For the economy to accelerate, and foreign investment to pick up, the private sector needs to have confidence to expand their businesses by hiring workers and investing in assets.

The public perception related to Bolsonaro's ability to combat corruption and growing signs of economic recovery is a clear positive for equity markets as the Lava Jato corruption scandal and economic recession of 2015-2016 has had a deep impact on foreign investment flows for Brazilian equities. For example, if you were to look at the top holdings in MSCI Emerging Markets Index in 2009, 3 of the top 5 largest weights were Brazilian companies. By the end of 2019, there were no Brazilian companies in the top ten of MSCI Emerging Markets Index. Despite the strong returns that the Brazilian market has achieved last year there is still a long way to go for Brazil to live up to its economic potential.

While levels of disenchantment remain high across the region, our belief is that generally low approval ratings should provide political motivation that support economic and social reform to promote equitable growth across Latin America. It is imperative that governments unlock projects and initiatives that might accelerate GDP growth and generate a better environment for business confidence. Given the level of fiscal deficits in the region, public private partnerships will be key to advance investment in infrastructure, creating jobs and improving the regions competitiveness along the way. The divergent trends in government approval ratings across countries in Latin America could provide clues as to who the eventual winners and losers will be in regards to economic cycles and returns for equity investors.

SAM VECHT and ED KUCZMA
BlackRock Investment Management (UK) Limited
7 April 2020

Responsible ownership: BlackRock's approach to sustainable investing

Responsible ownership – BlackRock's approach

As a fiduciary to its clients, BlackRock has built its business to protect and grow the value of clients' assets. From BlackRock's perspective, business-relevant sustainability issues can contribute to a company's long-term financial performance, and thus further incorporating these considerations into the investment research, portfolio construction, and stewardship process can enhance long-term risk adjusted returns. By expanding access to data, insights and learning on material ESG risks and opportunities in investment processes across BlackRock's diverse platform, BlackRock believes that the investment process is greatly enhanced. The Company's portfolio managers work closely with BlackRock's Investment Stewardship team to assess the governance quality of companies and investigate any potential issues, risks or opportunities. The portfolio managers use ESG information when conducting research and due diligence on new investments and again when monitoring investments in the portfolio.

BlackRock's approach to sustainable investing

Considerations about sustainability have been at the centre of BlackRock's investment approach for many years and the firm offers more than 100 sustainable products and solutions. BlackRock believes that climate change is now a defining factor in companies' long-term prospects, and that it will have a significant and lasting impact on economic growth and prosperity. BlackRock believes that climate risk now equates to investment risk, and this will drive a profound reassessment of risk and asset values as investors seek to react to the impact of climate policy changes. This in turn is likely to drive a significant reallocation of capital away from traditional carbon intensive industries over the next decade.

In January 2020, with this transition in mind, BlackRock announced that it would accelerate its sustainable investing efforts and make a number of enhancements to its investment management and risk processes, including the following:

- Heightening scrutiny on sectors and issuers with a high ESG risk, such as thermal coal producers, due to the investment risk they present to client portfolios.
- Putting ESG analysis at the heart of Aladdin (BlackRock's proprietary trading platform) and using proprietary tools to help analyse ESG risk; and
- Placing oversight of ESG risk with BlackRock's Risk and Quantitative Analysis group (RQA), to ensure that ESG risk is given increased weighting as a risk factor and is analysed with the same weight given to traditional measures such as credit or liquidity risk.

Investment Stewardship

BlackRock also places a strong emphasis on sustainability in its stewardship activities. BlackRock have engaged with companies on sustainability-related questions for a number of years, urging management teams to make progress while also deliberately giving companies time to enhance disclosure consistent with the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-related Financial Disclosures (TCFD). This includes each company's plan for operating under a scenario where the Paris Agreement's goal of limiting global warming to less than two degrees is fully realised, as expressed by the TCFD guidelines. To this end, BlackRock is now a member of Climate Action 100+, a group of investors that engages with companies to improve climate disclosure and align business strategy with the goals of the Paris Agreement. BlackRock will be aligning its engagement and stewardship priorities to UN Sustainable Development Goals (including Gender Equality and Affordable and Clean Energy). BlackRock is committed to voting against management to the extent that they have not demonstrated sufficient progress on sustainability issues.

BlackRock is committed to transparency in terms of disclosure on its engagement with companies and voting rationales. Last year BlackRock voted against or withheld votes from 4,800 directors at 2,700 different companies. More details about BlackRock's investment stewardship process can be found on BlackRock's website at https://www.blackrock.com/uk/individual/about-us/investment-stewardship.

In terms of its own reporting, BlackRock believes that the SASB provides a clear set of standards for reporting sustainability information across a wide range of issues, from labour practices to data privacy to business ethics. For evaluating and reporting climate-related risks, as well as the related governance issues that are essential to managing them, the TCFD provides a valuable framework. BlackRock recognise that reporting to these standards requires significant time, analysis, and effort. BlackRock's own SASB-aligned disclosure is available on its website at https://www.blackrock.com/corporate/literature/continuous-disclosure-and-important-information/blackrock2018sasbdisclosure.pdf, and BlackRock is working towards a TCFD-aligned disclosure by the end of 2020.

BlackRock is also a founding member of the TCFD and a signatory to the UN's Principles for Responsible Investment. BlackRock also signed the Vatican's 2019 statement advocating carbon pricing regimes, which it believes are essential to combating climate change. BlackRock has also joined with France, Germany, and global foundations to establish the Climate Finance Partnership, which is one of several public-private efforts to improve financing mechanisms for infrastructure investment. More information on BlackRock's policies on Corporate Sustainability can be found on BlackRock's website at https://www.blackrock.com/uk/individual/about-us/corporate-sustainability.

Governance

The Company initiated a position in the brewery company AmBev, following strong results for the second quarter of 2019 despite a tough macro environment, driven by the company's ability to benefit from the diversification and innovation of its portfolio.

Governance structure

Responsibility for good governance lies with the Board. The governance framework of the Company reflects that as an investment company, the Company has no employees, the Directors are all non-executive and the investment management and administration functions are outsourced to the Manager and other service providers.

The Board

4 scheduled meetings per annum

Five non-executive Directors (NEDs), all independent of the Manager and the Investment Manager

Chairman: Carolan Dobson (since March 2017)

Objectives:

- To determine investment policy, strategy and parameters;
- To provide leadership within a framework of prudent and effective controls which enable risk to be assessed and managed and the Company's assets to be safeguarded;
- To challenge constructively and scrutinise performance of all outsourced activities.

Audit Committee

2 scheduled meetings per annum

Membership: Craig Cleland, Mahrukh Doctor, Laurie Meister, Nigel Webber[1]

Chairman: Craig Cleland (since 31 March 2019)

Key objectives:

- To oversee financial reporting;
- To consider the adequacy of the control environment; and
- Review and form an opinion on the effectiveness of the external audit process.
- To review the provisions relating to whistleblowing and fraud.

Management Engagement Committee[2]

1 scheduled meeting per annum

Membership: All NEDs

Chairman: Carolan Dobson (with effect from 31 March 2019)

Key objectives:

- To ensure that the provisions of the management agreement follow industry practice, remain competitive and are in the best interest of shareholders;
- To review the performance of the Manager; and
- To review the performance of other service providers.

[1] Ms Dobson stepped down as a member of the Audit Committee with effect from 1 January 2019 but may attend meetings by invitation.
[2] Up to 5 November 2018, there was a single combined Nomination and Management Engagement Committee which also performed duties in respect of setting Directors' remuneration and remuneration policy for the Company. On 5 November 2018 the Directors established three separate committees to perform these duties instead as set out above and overleaf, being the Management Engagement Committee, the Nomination Committee and the Remuneration Committee.

Governance structure continued

Nomination Committee[1]

1 scheduled meeting per annum

Membership: All NEDs

Chairman: Carolan Dobson (since 31 March 2019)

Key objectives:

- To regularly review the Board's structure and composition;
- To be responsible for the Board succession planning; and
- To make recommendations for any new appointments.

Remuneration Committee[1]

1 scheduled meeting per annum

Membership: All NEDs

Chairman: Mahrukh Doctor (since 31 March 2019)

Key objectives:

- To be responsible for Directors' remuneration; and
- To set the Company's remuneration policy.

[1] Up to 5 November 2018, there was a single combined Nomination and Management Engagement Committee which also performed duties in respect of setting Directors' remuneration and remuneration policy for the Company. On 5 November 2018 the Directors established three separate committees to perform these duties instead as set out above, being the Management Engagement Committee, the Nomination Committee and the Remuneration Committee.

Directors' biographies

Carolan Dobson

Chairman

Appointed as a Director on 1 January 2016 and as Chairman on 2 March 2017

is the former head of UK equities at Abbey Asset Managers and former head of investment trusts at Murray Johnstone and therefore brings a wealth of industry experience to the Board. She is currently non-executive Chairman of Brunner Investment Trust plc and Baillie Gifford UK Growth Fund plc.

Attendance record:

Board: 4/4
Audit Committee: n/a[1]
Nomination Committee: 1/1
Management Engagement Committee: 1/1

Craig Cleland

Appointed on 1 January 2019 and appointed as Chairman of the Audit Committee on 31 March 2019

is Head of Corporate Development/Investment Trusts at CQS (UK) LLP, a multi-asset asset management firm in London with a focus on credit markets, where his responsibilities include advising and developing the closed-end fund business. He is also a director of Invesco Perpetual Select Trust plc and was previously a director of Martin Currie Asia Unconstrained Trust plc. He worked previously at JPMorgan Asset Management (UK) Limited, latterly as Managing Director, and led their technical groups in the investment trust business. He also worked with the AIC Technical Committee on SORP and taxation changes in connection with this role. Prior to that he was a director and senior company secretary at Fleming Investment Trust Management, transferring to JPMorgan Asset Management after Chase Manhattan Bank acquired Robert Fleming Holdings Limited.

Attendance record:

Board: 4/4
Audit Committee: 2/2
Nomination Committee: 1/1
Management Engagement Committee: 1/1

None of the Directors has a service contract with the Company. The terms of their appointment are detailed in a letter sent to them when they join the Board. These letters are available for inspection at the registered office of the Company and will be available at the Annual General Meeting.

[1] Ms Dobson stepped down as a member of the Audit Committee with effect from 1 January 2019 but may attend meetings by invitation.

Mahrukh Doctor

Appointed on 17 November 2009 and appointed as Senior Independent Director and Chairman of the Remuneration Committee with effect from 31 March 2019

is a Reader in political economy at the University of Hull, specialising in Latin America. Previously she was Adjunct Associate Professor at the Johns Hopkins University SAIS Europe in Bologna and Research Fellow at St. Anthony's College and the Centre for Brazilian Studies at the University of Oxford and an economist at the World Bank. She has been the Brazil expert on the Oxford Analytica International Conference Latin America panel since 2002.

Attendance record:

Board: 4/4
Audit Committee: 2/2
Nomination Committee: 1/1
Management Engagement Committee: 1/1

Nigel Webber

Appointed on 1 April 2017

has broad investment experience which has seen him lead the design of investment solutions for affluent and high-net-worth individuals across global markets and multiple asset classes. Most recently, he was Global Chief Investment Officer for HSBC Private Banking where he held global responsibility for all investment activity for Group Private Banking. During his time at HSBC, he was also Chairman of the Global Investment Committee for Group Private Bank and Chairman of HSBC Alternative Investments Limited. Prior to this, he held a number of blue-chip executive positions around the world for investment and asset management businesses. He is also a qualified accountant.

Attendance record:

Board: 4/4
Audit Committee: 2/2
Nomination Committee: 1/1
Management Engagement Committee: 1/1

Laurie Meister

Appointed on 1 February 2020

has 35 years of experience in the financial sector, with 28 years of her career dedicated to Latin American equities. Ms Meister was the head of Deutsche Bank's Institutional Equity Latin American Research Sales Desk (for the UK, Europe and the Middle East) from 2008 until June 2019. Prior to this she worked for Chase/JPMorgan as a director with responsibility for re-building the CEMEA equity business (incorporating sales, trading and research operations), and then becoming a director in JPMorgan's Senior Equity Research Sales Latin American Equities team for UK, Europe & Asia. Ms Meister has also worked in equity sales for Robert Fleming and Merrill Lynch Capital Markets with a focus on Latin American equities.

Attendance record:

Ms Meister joined the Board with effect from 1 February 2020 and thus did not attend any of the scheduled meetings for the year to 31 December 2019.

Directors' report

The Directors present the Annual Report and audited Financial Statements of the Company for the year ended 31 December 2019.

Status of the Company

The Company was incorporated in England and Wales on 12 March 1990 under registered number 2479975 and is domiciled in the United Kingdom. The Company is registered as an investment company as defined in Section 833 of the Companies Act 2006 and operates as such.

The Company has been approved by HM Revenue & Customs as an investment trust in accordance with Sections 1158 and 1159 of the Corporation Tax Act 2010, subject to the Company continuing to meet eligibility requirements. The Directors are of the opinion that the Company has conducted its affairs in a manner which will satisfy the conditions for continued approval.

As an investment company that is managed and marketed in the United Kingdom, the Company is an AIF falling within the scope of, and subject to the requirements of, the AIFMD. The Company is governed by the provisions of the European Union (Alternative Investment Fund Managers' Regulations). The Company must also comply with the Regulations in respect of leverage, outsourcing, conflicts of interest, risk management, valuation, remuneration and capital requirements and must also make additional disclosures to both shareholders and the Financial Conduct Authority (FCA). Further details are set out in the Regulatory Disclosures Report on pages 110 and 111 and in the notes to the financial statements on pages 93 to 101.

The Company's ordinary shares are eligible for inclusion in the stocks and shares component of a New Individual Savings Account (NISA).

Facilitating retail investments

The Company currently conducts its affairs so that the shares issued by the Company can be recommended by independent financial advisers to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream pooled investments and intends to continue to do so for the foreseeable future.

The shares are excluded from the FCA's restrictions which apply to non-mainstream pooled investments because they are shares in an investment trust.

The Common Reporting Standard

Tax legislation under the Organisation for Economic Co-operation and Development (OECD) Common Reporting Standard for Automatic Exchange of Financial Account Information (The Common Reporting Standard) was introduced on 1 January 2016.

The legislation requires investment trust companies to provide personal information to HMRC about investors who purchase shares in investment trusts. As an affected company, BlackRock Latin American Investment Trust plc must provide information annually to the local tax authority on the tax residencies of a number of non-UK based certificated shareholders, and corporate entities. The local tax authority to which the information is initially passed may in turn exchange the information with the tax authorities of another country or countries in which the shareholder may be tax resident, where those countries (or tax authorities in those countries) have entered into agreements to exchange financial account information.

All new shareholders, excluding those whose shares are held in CREST, entered onto the share register will be sent a certification form for the purposes of collecting this information.

Shareholder Rights Directive II

The Shareholder Rights Directive II took effect from 10 July 2019 with some transitional provisions. It encourages long-term shareholder engagement and transparency between companies and shareholders. In substantive terms the changes are small for investment companies and the majority of requirements apply to the Company's remuneration policy and disclosure of processes, as well as related party transactions. There are also additional rules for Alternative Investment Fund Managers and proxy advisers.

GDPR

Data protection rights were harmonised across the European Union following the implementation of the General Data Protection Regulation (GDPR) on 25 May 2018. The Board has sought and received assurances from its third party service providers that they have taken appropriate steps to ensure compliance with the new regulation. The Company's 'Data Privacy Policy' can be found on the Company's website at www.blackrock.co.uk/brla.

Dividends

Details of the dividends paid and payable in respect of the year are set out in the Chairman's Statement on pages 4 to 8 and note 8 on page 89.

Investment management and administration

BlackRock Fund Managers Limited (BFM) was appointed as the Company's AIFM with effect from 2 July 2014. The management contract is terminable by either party on six months' notice.

BlackRock Investment Management (UK) Limited (BIM (UK)) continues to act as the Company's Investment Manager under a delegation agreement with BFM. BIM (UK) also acted as the Secretary of the Company throughout the year. BFM receives an annual management fee of 0.8% of net asset value. The Company does not have any performance fee arrangements in place.

The Manager has delegated certain of its responsibilities and functions, including its discretionary management of the Company's portfolio, to the US based Equity Income Investments team who are employed by BlackRock Investment Management LLC (BIM LLC), a limited liability company incorporated in Delaware which is regulated by the US Securities and Exchange Commission. BFM, BIM (UK) and BIM LLC are subsidiaries of BlackRock, Inc. which is a publicly traded corporation on the New York Stock Exchange operating as an independent firm. PNC Financial Services Group, Inc. has a significant economic interest in BlackRock, Inc. PNC Financial Services Group, Inc. is a US public company.

The Company contributes to a focused investment trust sales and marketing initiative operated by BIM (UK) on behalf of the investment trusts under its management. In 2019, the Company's contribution to the consortium element of the initiative, which enables the trusts to achieve efficiencies by combining certain sales and marketing activities, represents a budget of up to 0.025% per annum of its net assets ($255.2 million) as at 31 December 2018 and this contribution is matched by BIM (UK). In addition, a budget has been allocated for Company specific sales and marketing activity. Total fees paid or payable for these services for the year ended 31 December 2019 amounted to US$117,000 (excluding VAT). The purpose of the programme overall is to ensure effective communication with existing shareholders and to attract new shareholders to the Company. This has the benefit of improving liquidity in the Company's shares and helps sustain the stock market rating of the Company.

Appointment of the manager

The Board has considered arrangements for the provision of investment management and other services to the Company on an ongoing basis and a formal review is conducted annually. As part of the annual review, the Board considers the quality and continuity of personnel assigned to handle the Company's affairs, the investment process and the results achieved to date.

The Board considers the arrangements for the provision of investment management and other services to the Company on an ongoing basis and a formal review is conducted annually. The Board believes that it is in shareholders' interests as a whole that BFM should continue as Manager of the Company on the existing terms which were last reviewed in November 2019. The terms of the investment management agreement were last changed in September 2016.

The specialist nature of the Company's investment remit is, in the Board's view, best served by the Latin American team at BlackRock, who have a proven track record in successfully investing in the Latin American region.

The principal contents of the agreement with the Manager have been set out in the previous section. Having considered the terms of this agreement, and those of other investment trust companies, the Board considers that the terms of the agreement represent an appropriate balance between cost and incentivisation of the Manager.

Depositary and custodian

The Company has appointed The Bank of New York Mellon (International) Limited (BNYM or the Depositary) as its Depositary. The Depositary's duties and responsibilities are outlined in the investment fund legislation (as set out in the FCA AIF Rulebook). The main role of the Depositary under the AIFM Directive is to act as a central custodian with additional duties to monitor the operations of the Company, including monitoring cash flows and ensuring that the Company's assets are valued appropriately in accordance with the relevant regulations and guidance. The Depositary is also responsible for enquiring into the conduct of the AIFM in each annual accounting period. With effect from 1 January 2019 the Depositary receives a fee payable at a rate of 0.0095% of the net assets of the Company (prior to this the fee was 0.0115%). The Company has appointed the Depositary in a tripartite agreement, to which the Manager as AIFM is also a signatory. The Depositary is also liable for the loss of financial instruments held in custody.

Under the depositary agreement, custody services in respect of the Company's assets have been delegated to The Bank of New York Mellon (International) Limited (BNYM). BNYM receives a custody fee payable by the Company at rates depending on the number of trades effected and the location of securities held. The depositary agreement is subject to 90 days' notice of termination by any party.

Registrar

The Company has appointed Computershare Investor Services PLC as its Registrar (the Registrar). The principal duty of the Registrar is the maintenance of the register of shareholders (including registering transfers). It also provides services in relation to any corporate actions, dividend administration, shareholder documentation, the Common Reporting Standard and the Foreign Account Tax Compliance Act.

The Registrar receives a fixed fee plus disbursements and VAT per annum. The fixed fee applies for the three years commencing on 1 July 2017. Fees in respect of corporate actions and other services are negotiated on an arising basis.

Change of control

There are no agreements to which the Company is a party that might be affected by a change in control of the Company.

Directors' report continued

Exercise of voting rights in investee companies

The exercise of voting rights attached to the Company's portfolio has been delegated to the Investment Manager by BFM. BIM (UK)'s approach to voting at shareholder meetings, engagement with companies and corporate governance is framed within an investment context. BIM (UK) believes that sound corporate governance practices by companies contribute to their long term financial performance and thus to better risk-adjusted returns. BIM (UK)'s proxy voting process is led by its Corporate Governance and Responsible Investment team, located in six offices around the world. In addition to its own professional staff, the Corporate Governance and Responsible Investment team draws upon the expertise of BIM (UK)'s portfolio managers, researchers and other internal and external resources globally.

BIM (UK)'s global corporate governance and engagement principles are published on the website at https://www.blackrock.com/corporate/about-us/investment-stewardship#guidelines. The principles set out BIM (UK)'s views on the overarching features of corporate governance that apply in all markets. For each region, BIM (UK) also publishes market-specific policies, which are updated every year to ensure that they remain relevant.

The voting guidelines are principles-based and not prescriptive because BIM (UK) believes that each voting situation needs to be assessed on its merits. Voting decisions are taken to support the outcome that BIM (UK) believes in their professional judgement will best protect the economic interests of their clients.

During the year under review, the Investment Manager voted on 873 proposals at 77 general meetings on behalf of the Company. At these meetings the Investment Manager voted in favour of most resolutions, as should be expected when investing in well-run companies, but voted against 43 management resolutions and abstained from voting on 209 resolutions. Most of the votes against were in respect of proposals which contained insufficient disclosure for the Investment Manager to make an informed decision, or where the Investment Manager did not believe that the proposals were in the best interests of shareholders, or in respect of executive remuneration packages which were considered to be poorly structured.

Continuation of the Company

As agreed by shareholders, an ordinary resolution for the continuation of the Company as an investment trust is proposed biennially at the AGM. The last such resolution was put to shareholders at the 2018 AGM and hence the next resolution will be put to shareholders at the forthcoming AGM in 2020. If any such ordinary resolution is not passed, the Directors will convene a general meeting within three months at which proposals for the liquidation or reconstruction of the Company will be put forward.

Principal risks

The key risks faced by the Company are set out in the Strategic Report on pages 18 to 21.

Going concern

As described in the viability statement on pages 21 and 22 of the annual report, the Board is mindful of uncertainties facing the Company, notably the biennial continuation vote at the next AGM, the potential tender in 2022 and the uncertainty surrounding the potential duration of the COVID-19 pandemic and its impact on the global economy. Since the year end, and as disclosed in the post balance sheet event note on page 102 to the financial statements, the Company's net asset value has fallen by 51.4% as at 2 April 2020. Notwithstanding this significant market fall and the uncertainties set out above, the Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and is financially sound, and that the Company and its key third party service providers have in place appropriate business continuity plans and will be able to maintain service levels through the COVID-19 pandemic. For this reason, they continue to adopt the going concern basis in preparing the financial statements. The Company is able to meet all of its liabilities from its assets and the ongoing charges taking into account recent market falls are estimated at approximately 1.24% of net assets based on the Company's net asset value as at 2 April 2020. The Board and the Company's brokers are confident the continuation vote scheduled to be put to shareholders at the next AGM in 2020 will be passed.

The Company's longer term viability is considered in the viability statement on pages 21 and 22.

Directors

The Directors of the Company as at 31 December 2019 and their biographies are set out on pages 43 to 45. Details of Directors' interests in the ordinary shares of the Company are set out on page 56 of the Directors' Remuneration Report. All of the Directors in office at the date at this report held office throughout the year under review apart from Ms Meister who joined the Board on 1 February 2020. Mr Antonio Monteiro de Castro was a Director during the year but retired on 31 March 2019.

All appointments to the Board and re-elections of Directors are carried out in accordance with the Companies Act and the Company's Articles of Association. In accordance with best practice and developing Corporate Governance, Directors now stand for re-election on an annual basis. Accordingly, Carolan Dobson, Craig Cleland, Mahrukh Doctor and Nigel Webber will all retire at the 2020 AGM and being eligible will offer themselves for re-election. Mr Laurence Whitehead retired from the Board on 31 December 2019. Ms Laurie Meister will stand for election at the forthcoming AGM for the first time.

Directors' indemnity

In addition to Directors' and Officers' liability insurance cover, the Company's Articles of Association provide, subject to the provisions of applicable UK legislation, an indemnity for Directors in respect of costs incurred in the defence of any proceedings brought against them by third parties arising out of their positions as Directors, in which they are acquitted or judgement is given in their favour. The Company has entered into Deeds of Indemnity with Directors individually which are available for inspection at the registered office of the Company and will be available at the AGM.

There were no contracts subsisting during or at the end of the year in which a Director of the Company is or was materially interested and which is or was significant in relation to the Company's business. None of the Directors are entitled to compensation for loss of office on the takeover of the Company. None of the Directors has a service contract with the Company.

The powers of the Directors are set out in the Corporate Governance Statement on pages 59 to 64.

Conflicts of interest

The Board has put in place a framework for Directors to report conflicts of interests or potential conflicts of interest. All Directors are required to notify the Company Secretary of any situations, or potential situations where they consider that they have or may have a direct or indirect interest or duty that conflicted or possibly conflicted with the interests of the Company. The Board has concluded that the framework worked effectively throughout the year.

All new situations or changes to previously reported situations are reviewed on an individual basis and reviewed at each meeting. Directors are also reminded at each meeting that there remains a continuing obligation to notify the Company Secretary of any new situations that may arise or any changes that may occur to a previously notified situation.

Directors' remuneration report and policy

The Directors' Remuneration Report is set out on pages 54 to 58. An advisory ordinary resolution to approve this report will be put to shareholders at the forthcoming AGM. The Company is also required to put the Directors' Remuneration Policy to a binding shareholder vote every three years. The Company's Remuneration Policy was last put to shareholders at the AGM in 2017, therefore an ordinary resolution to approve the policy will be put to shareholders at the AGM on 29 June 2020. Further details are given on pages 117 to 120.

Notifiable interest in the Company's voting rights

As at 31 December 2019, the following investors had declared a notifiable interest in the Company's voting rights.

	Number of ordinary shares	% of issued share capital
City of London Investment Management Company Limited	11,564,292	29.4%
Lazard Asset Management Ltd	5,358,706	13.6%
Standard Life Aberdeen plc	3,028,071	7.7%

Subsequent to the year end, and as at 2 April 2020, the following investors had declared a notifiable interest in the Company's voting rights.

	Number of ordinary shares	% of issued share capital
City of London Investment Management Company Limited	11,564,292	29.4%
Lazard Asset Management Ltd	5,498,165	14.0%
Standard Life Aberdeen plc	3,028,071	7.7%

No other shareholder has notified an interest of 3% or more in the Company's shares up to 2 April 2020.

Share capital

Full details of the Company's issued share capital are given in note 14 on page 92. Details of the voting rights in the Company's shares as at the date of this report are also given in note 17 to the Notice of Annual General Meeting on page 120. The ordinary shares carry the right to receive dividends and have one voting right per ordinary share. There are no restrictions on the voting rights of the ordinary shares or on the transfer of the ordinary shares. There are no shares which carry specific rights with regard to the control of the Company.

Share issues and share repurchases

The Company has the authority to purchase ordinary shares in the market to be held in treasury or for cancellation and to issue new shares or sell shares from treasury for cash. No ordinary shares were issued or sold under this authority during the year.

Directors' report continued

The Directors consider that it is in the interests of shareholders as a whole that the price of the ordinary shares reflects, as closely as possible, the NAV per share. The Directors will consider the issue at a premium or repurchase at a discount of ordinary shares to address any supply/demand imbalance in the market. Any such transactions will enhance the net asset value for continuing shareholders.

Although the Investment Manager initiates any buy backs, the policy and parameters are set by the Board and reviewed at regular intervals. The Company intends to raise the cash needed to finance the purchase of shares either by selling securities in the Company's portfolio or by short term borrowing.

The current authority to purchase ordinary shares in the market to be held in treasury or for cancellation was granted to the Directors on 15 May 2019 and expires on 29 June 2020. The Directors are proposing that their authority to purchase ordinary shares in the market to be held in treasury or for cancellation be renewed at the forthcoming AGM.

The current authority to issue new ordinary shares or sell shares from treasury for cash was granted to the Directors on 15 May 2019 and expires on 29 June 2020. The Directors are proposing that their authority to issue new ordinary shares or sell shares from treasury for cash be renewed at the forthcoming AGM.

Treasury shares

At the AGM in 2019 the Company was authorised to purchase its own ordinary shares to be held in treasury for reissue or cancellation at a future date. There was no change in the amount of ordinary shares held in treasury during the year.

Both the repurchase for cancellation and the use of treasury shares should assist in providing a discount management mechanism and enhancing the NAV of the Company's shares. This will provide the Directors with additional flexibility to manage the Company's investment portfolio.

The Board intends only to authorise the sale of shares from treasury at prices at or above the prevailing NAV per share (plus costs of the relevant sale). This should result in a positive overall effect on existing shareholders.

The Company currently holds 2,181,662 ordinary shares in treasury and will seek the necessary authority to hold and reissue treasury shares at the forthcoming AGM.

Global greenhouse gas emissions for the period 1 January 2019 to 31 December 2019

The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emission producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013.

Articles of association

Any amendments to the Company's Articles of Association must be made by special resolution.

Annual general meeting

The following information to be discussed at the forthcoming AGM is important and requires your immediate attention. If you are in any doubt about the action you should take, you should seek advice from your stockbroker, bank manager, solicitor, accountant or other financial adviser, authorised under the Financial Services and Markets Act 2000 (as amended).

If you have sold or transferred all of your ordinary shares in the Company, you should pass this document, together with any other accompanying documents including the form of proxy, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

Resolutions for the election and re-election of Directors

The biographies of the Directors are set out on pages 43 to 45 and are incorporated into this report by reference. The skills and experience each Director brings to the Board for the long-term sustainable success of the Company are set out below. All the Directors in office at the date of this report apart from Ms Meister held office throughout the year under review and will stand for re-election by shareholders at the meeting in accordance with the requirements of the UK Code. Ms Meister joined the Board in February 2020 and will stand for election at the meeting for the first time. Mr Antonio Monteiro de Castro retired as a Director on 31 March 2019 and Mr Laurence Whitehead retired as a Director on 31 December 2019.

Resolution 5 relates to the re-election of Ms Carolan Dobson who was appointed on 1 January 2016. Ms Dobson has current and detailed knowledge of investment management and investment trusts. She brings leadership skills and much in-depth knowledge, expertise and experience of the sector to the Board, having served as a non-executive director on or chaired a number of investment trust boards and also having headed up the investment trust business at Murray Johnstone and also the UK Equity business at Abbey Asset Managers.

Resolution 6 relates to the re-election of Mr Craig Cleland who was appointed on 1 January 2019. Mr Cleland is an asset management executive working in the promotion and running of investment companies and regularly liaises with a number of brokers, auditors and regulators, which contributes towards keeping his extensive industry knowledge up to date. He also meets regularly with both institutional and retail investors in the sector to discuss industry issues. He has extensive knowledge of investment trust technical and accounting issues, and was a member of the Association of Investment Companies' (AIC) Technical Committee for ten years during which time he helped to develop the AIC's Statement of Recommended Practice (SORP) for the industry. He brings this strong accounting and technical background and experience of the audit committee remit (having also acted as the audit committee chairman of the Invesco Perpetual Select Trust plc since 2016) to his role as the Company's Audit Committee Chairman.

Resolution 7 relates to the election of Dr Mahrukh Doctor who was appointed on 17 November 2009 and has a wealth of expertise in the field of Latin American (especially Brazilian) political economy, with a focus on trade and industrial policy. She has a wide ranging knowledge of the Company and the sector and her experience makes her well placed to monitor the Company's performance and to constructively challenge the portfolio managers' investment decisions where appropriate. Dr Doctor has also acted as the Company's Senior Independent Director and Chairman of the Remuneration Committee with effect from 31 March 2019.

Resolution 8 relates to the re-election of Mr Nigel Webber who was appointed on 1 April 2017. Mr Webber has many years of experience in the investment and asset management business, and was previously Global Chief Investment Officer for HSBC Private Banking Group; he brings in-depth knowledge, expertise and experience in investment matters (including experience relating to the Latin American region) to his role on the Board. Mr Webber is also a qualified Chartered Accountant and brings this skill set to his role as a member of the Company's Audit Committee.

Resolution 9 relates to the election of Ms Laurie Meister who was appointed on 1 February 2020. She brings in-depth and extensive financial markets experience to her role, with twenty eight of her thirty-two years in the sector dedicated to having led and developed Latin American equity and capital markets businesses and other emerging markets.

Resolutions relating to the following items of special business will be proposed at the forthcoming AGM.

Resolution 12 Continuation of the Company as an investment trust:

The ordinary resolution to be proposed will seek shareholders' authority that the Company shall continue in being as an investment trust.

Resolution 13 Authority to allot shares:

The Directors may only allot shares for cash if authorised to do so by shareholders in a general meeting. This resolution seeks authority for the Directors to allot ordinary shares for cash up to an aggregate nominal amount of US$196,298.10 which is equivalent to 1,962,981 ordinary shares of 10 cents each and represents 5% of the Company's issued ordinary share capital as at the date of the Notice of the Annual General Meeting (excluding shares held in treasury). This resolution will expire at the conclusion of the next AGM of the Company to be held in 2021, unless renewed prior to that date at an earlier general meeting.

Resolution 14 Authority to disapply pre-emption rights:

By law, Directors require specific authority from shareholders before allotting new shares for cash or selling shares out of treasury for cash, without first offering them to existing shareholders in proportion to their holdings. Resolution 12 empowers the Directors to allot new shares for cash or to sell shares held by the Company in treasury, otherwise than to existing shareholders on a pro-rata basis, up to an aggregate nominal amount of US$196,298.10 which is equivalent to 1,962,981 ordinary shares of 10 cents each and represents 5% of the Company's issued ordinary share capital as at the date of the Notice of Annual General Meeting (excluding shares held in treasury).

This resolution will expire at the conclusion of the next AGM of the Company to be held in 2021, unless renewed prior to that date at an earlier general meeting.

Resolution 15 Authority to buy back shares:

The resolution to be proposed will seek to renew the authority granted to Directors enabling the Company to purchase its own shares. The Directors will only consider repurchasing shares in the market if they believe it to be in shareholders' interests and as a means of correcting any imbalance between supply and demand for the Company's shares. Purchases of ordinary shares will only be made in the market for cash at prices below the prevailing NAV.

The Directors are seeking authority to purchase up to 5,885,017 ordinary shares (being 14.99% of the issued share capital, excluding treasury shares, as at the date of this report). This authority, unless renewed at an earlier general meeting, will expire at the conclusion of the next AGM of the Company to be held in 2021.

Resolution 16 Amendment to the Articles:

The Board is proposing to make amendments to the Articles to enable the Company to hold general meetings (wholly or partially) by electronic means and to give additional powers in respect of postponing or adjourning meetings in appropriate circumstances. The amendments are being sought in response to challenges posed by government restrictions on social interactions as a result of the COVID-19 pandemic, which have made it difficult for shareholders to attend physical general meetings. The Board's aim in introducing these changes is to make it easier for shareholders to participate in general meetings through introducing electronic access for those not able to travel, and also to ensure appropriate security measures are in place for the protection and wellbeing of shareholders.

The principal changes proposed to be introduced in the Articles, and their effect, are set out below.

(i) **Electronic participation in general meetings**
The Board will have the ability to determine the means of attendance and participation used in relation to general meetings of the Company, including whether the meeting shall be held physically, through an electronic facility, or partly in one way and partly in another.

(ii) **Adjournment of general meetings**
The Chairman will have the ability to interrupt or adjourn general meetings without the consent of the meeting if it appears to the Chairman that the facilities or security at any general meeting (including those conducted wholly or partly electronically) have become inadequate.

(iii) **Postponement of general meetings**
The Board will have the ability to postpone a general meeting if, in its absolute discretion, it considers that it is impractical or unreasonable for any reason to hold the meeting on the date or at the time or at any place specified in the notice calling the general meeting.

(iv) **Documents available for inspection at a meeting**
If, in the case of a general meeting which is held wholly or partly by means of an electronic facility, any document is required to be on display or available for inspection at that meeting (whether prior to and/or for the duration of the meeting), the Company shall ensure that it is electronically available to persons entitled to inspect it for at least the required period of time.

(v) **Accommodation of members and security arrangements**
The Board will have the ability to implement measures for the purposes of controlling the level of attendance and ensuring the safety of those attending and participating at any physical place specified for the holding of a general meeting, ensuring the security of the meeting and ensuring the future orderly conduct of the meeting. The entitlement of any member or proxy to attend and participate in a general meeting at such place (or places) shall be subject to any such arrangements.

Similarly, if a general meeting is held wholly or partly by means of an electronic facility, the Board and the Chairman may make any proportionate arrangement and impose any proportionate requirement or restriction that is necessary to ensure the identification of those taking part by way of such electronic facility and the security of electronic communication.

The entitlement of any member or proxy to attend and participate in a general meeting (physically or electronically) shall be subject to any such arrangements.

(vi) **Method of voting at meetings conducted wholly or partly electronically**
A resolution put to the vote at a general meeting held wholly or partly by means of an electronic facility or facilities shall be decided on a poll, with poll votes to be cast by such electronic means as the Board, in its sole discretion, deems appropriate for the purposes of the meeting.

The proposed new Articles (marked to show the proposed changes) will be available for inspection on the Company's website at www.blackrock.co.uk/brla from the date of this Report and Accounts until the conclusion of the Annual General Meeting or may be obtained from the Company Secretary by requesting a copy using the address and details provided on page 109. The proposed new Articles (marked to show the proposed changes) will also be available for inspection at the place of the forthcoming Annual General Meeting for at least 15 minutes before and during that Annual General Meeting.

Recommendation

The Board considers that each of the resolutions is likely to promote the success of the Company and is in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that you vote in favour of these resolutions as they intend to do in respect of their own beneficial holdings.

Corporate governance

Full details are given in the Corporate Governance Statement on pages 59 to 64. The Corporate Governance Statement forms part of this Directors' Report.

Audit information

As required by Section 418 of the Companies Act 2006, each of the Directors who held office at the date of approval of this report confirms that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

Independent Auditors

In line with EU regulations on mandatory audit rotation, an audit tender process was carried out by the Company during 2019 and, as a result, it was recommended that Ernst & Young LLP be appointed as the Company's independent auditor for the year starting on 1 January 2020. As a result, PricewaterhouseCoopers LLP will not be seeking reappointment as the Company's auditor for the financial year commencing 1 January 2020.

A resolution to appoint Ernst & Young LLP as auditor of the Company will be proposed at the forthcoming Annual General Meeting, together with a resolution to authorise the Audit Committee to determine its remuneration.

The Directors' Report was approved by the Board at its meeting on 7 April 2020.

By order of the Board

SARAH BEYNSBERGER
For and on behalf of
BlackRock Investment Management (UK) Limited
Company Secretary
7 April 2020

Directors' remuneration report

The Board presents the Directors' Remuneration Report for the year ended 31 December 2019 which has been prepared in accordance with Sections 420 – 422 of the Companies Act 2006. The future remuneration policy which is subject to a triennial binding vote is set out in the policy table on page 58.

The law requires the Company's Auditors to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such. The Auditors' opinion is included in their report on pages 71 to 78.

Statement of the Chairman

A key driver of the remuneration policy is that fees payable to Directors should be sufficient to attract and retain individuals with suitable knowledge and experience to promote the long term success of the Company whilst also reflecting the time commitment and responsibilities of the role. The basis for determining the level of any increase in the Directors' remuneration is set out in the Directors' Remuneration Policy on page 57.

The Board's remuneration was last reviewed in November 2019. Following this review it was agreed that all Directors' fees would be increased in line with the increase in the Consumer Price Index for the 12 months to 30 September 2019 (an increase of 1.7%). Consequently with effect from 1 January 2020 the Chairman will receive an annual salary of £47,800, the Audit Committee Chairman will receive an annual salary of £36,700, the Remuneration Committee Chairman will receive an annual salary of £34,600 and each other Director will receive an annual salary of £32,600. Prior to this, Directors' fees were last increased on 1 January 2019. Directors' fees are set out in the policy table on page 58. No discretionary fees have been paid to Directors during the year or since inception and the payment of such fees is expected to be a rare occurrence, only necessary in exceptional circumstances. Any discretionary fees paid to the Directors will be clearly disclosed in the Directors' Remuneration Report accompanied by an explanation of the work undertaken and why it was deemed necessary to pay such additional remuneration.

Remuneration Committee

The Remuneration Committee is responsible for Directors' remuneration and for setting the Company's remuneration policy. The Committee is wholly comprised of independent Directors. The names of the members of the Remuneration Committee are set out on pages 42 to 45.

Implementation of the Remuneration Policy in the year 2020

The Directors intend that the future Remuneration Policy will be implemented as set out on pages 57 and 58. The Directors' remuneration policy on page 57 and the future policy table on page 58 form part of this report. The Directors do not receive any performance related remuneration or incentives. Discretionary payments are permitted under the policy; however such discretionary payments would only be considered in exceptional circumstances.

Remuneration/service contracts

The maximum remuneration of the Directors is determined within the limits of the Company's Articles and currently amounts in aggregate to £250,000. No element of the Directors' remuneration is performance related. None of the Directors are entitled to receive from the Company:

- performance related remuneration;
- any benefits in kind except reasonable travel expenses in the course of travel to attend meetings and duties undertaken on behalf of the Company;
- share options;
- rewards through a long term incentive scheme;
- a pension or other retirement benefit; and
- compensation for loss of office.

All of the Directors are non-executive. None of the Directors has a service contract with the Company and the terms of their appointment are detailed in a letter of appointment. New directors are appointed for an initial term of three years and it is expected that they will serve two further three year terms. The continuation of an appointment is contingent on satisfactory performance evaluation and re-election at each Annual General Meeting (AGM). A director may resign by notice in writing to the Board at any time, there is no notice period. The letters of appointment are available for inspection at the registered office of the Company.

Remuneration implementation report

A single figure for total remuneration of each Director is set out in the table below for the year ended 31 December 2019:

Directors	Year ended 31 December 2019 Fees £	Taxable benefits[1] £	Total £	Year ended 31 December 2018 Fees £	Taxable benefits[1] £	Total £
Carolan Dobson (Chairman)	47,000	4,077	51,077	46,000	3,835	49,835
Craig Cleland[2] (Audit Committee Chairman)	35,000	1,226	36,226	–	–	–
Mahrukh Doctor (Remuneration Committee Chairman)	33,500	4,711	38,211	31,000	2,996	33,996
Antonio Monteiro de Castro[3]	9,000	3,457	12,457	35,000	17,016	52,016
Nigel Webber	32,000	485	32,485	31,000	240	31,240
Laurence Whitehead[4]	32,000	1,777	33,777	31,000	1,736	32,736
Total	188,500	15,733	204,233	174,000	25,823	199,823

1 Taxable benefits relates to travel and subsistence costs.
2 Mr Cleland joined the Board on 1 January 2019 and became Chairman of the Audit Committee on 31 March 2019.
3 Mr Monteiro de Castro retired as a Director and as Chairman of the Audit Committee on 31 March 2019.
4 Mr Whitehead retired from the Board on 31 December 2019.

The information in the table above has been audited.

No discretionary payments were made in the year to 31 December 2019 (2018: £nil).

Relative importance of spend on pay

As the Company has no employees, the table above also comprises the total remuneration costs and benefits paid by the Company. To enable shareholders to assess the relative importance of spend on pay, this has been shown in the table below compared to the Company's net profit on ordinary activities after taxation, total operating expenditure and dividend distributions.

	2019 US$'000	2018 US$'000	Change US$'000
Directors' total remuneration	271	254	+17
Total dividends paid and payable	13,697	9,245	+4,452
Buy back of ordinary shares	–	659	(659)
Net profit/(loss) on ordinary activities after taxation	45,496	(14,877)	+60,373

Five year change comparison

Over the last five years, Directors' pay has increased as set out in the table below:

	31 December 2019 £	31 December 2014 £	% Change
Chairman	47,000	43,500	+8.0%
Audit Committee Chairman	36,000	33,000	+9.1%
Remuneration Committee Chairman and Senior Independent Director[1]	34,000	N/A	N/A
Director	32,000	29,000	+10.3%

1 The Remuneration Committee was formed in November 2018 and the combined role of Remuneration Committee Chairman and Senior Independent Director was created on 31 March 2019. Prior to this the Audit Committee Chairman also acted as the Senior Independent Director.

Directors' remuneration report continued

As previously noted, the Company does not have any employees and hence no comparisons are given in respect of the comparison between Directors' and employees' pay increases.

Shareholdings

The interests of the Directors in the ordinary shares of the Company are set out in the table below. The Company does not have a share option scheme, therefore none of the Directors has an interest in any share options in the Company. There is no requirement for Directors to hold shares in the Company.

	Ordinary shares		
	2 April 2020	31 December 2019	31 December 2018
Carolan Dobson	4,792	4,792	4,792
Mahrukh Doctor	686	686	686
Laurence Whitehead[1]	n/a	15,203	15,203
Nigel Webber	5,000	5,000	5,000
Craig Cleland	5,000	5,000	n/a
Laurie Meister[2]	nil	nil	n/a
Antonio Monteiro de Castro[3]	n/a	n/a	47,000

1 Retired as a Director on 31 December 2019.
2 Appointed as a Director on 1 February 2020.
3 Retired as a Director on 31 March 2019. His shareholding at that date was 47,000.

The information in the table above has been audited.

All the holdings of the Directors are beneficial. No other changes to these holdings have been notified up to the date of this report. Since 31 December 2019, Laurie Meister was appointed to the Board, and at the date of this report did not own any shares in the Company. Mr Monteiro de Castro retired from the Board on 31 March 2019. At this date he held 47,000 shares in the Company.

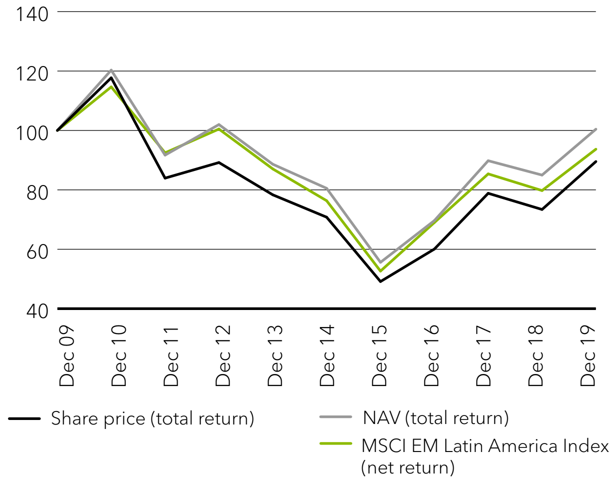
Retirement of Directors

Further details are given in the Directors' Report on page 48 and in the Corporate Governance Statement on page 59.

Performance

The graph below compares the Company's NAV and share price total returns with the total return on an equivalent investment in the MSCI EM Latin America Index (net return). This index is deemed to be the most appropriate as the Company has a Latin American objective.

Performance from 31 December 2009 to 31 December 2019



Total return performance record, rebased to 100 at 31 December 2009.
Sources: BlackRock and Datastream.

By order of the Board

MAHRUKH DOCTOR
Chairman
Remuneration Committee
7 April 2020

Directors' remuneration policy

Consideration of shareholders' views

An ordinary resolution to approve the remuneration report is put to members at each AGM. The Company is committed to ongoing shareholder dialogue and takes an active interest in voting outcomes. Shareholders have the opportunity to express their views and ask questions in respect of the remuneration policy at the AGM. To date, no shareholders have commented in respect of the remuneration policy. In the event that there was a substantial vote against any resolution proposed at the Company's AGM, the reasons for any such vote would be sought and appropriate action taken. Should the votes be against resolutions in relation to the directors' remuneration, further details will be provided in future Directors' Remuneration Reports. In accordance with the Companies Act 2006, the Company is required to seek shareholder approval of its remuneration policy on a triennial basis. An ordinary resolution for the approval of the remuneration policy was approved by shareholders at the AGM held on 3 May 2017, with 99.59% of votes cast (including votes cast at the Chairman's discretion) in favour and 0.41% votes cast against. The remuneration policy will next be put to a binding shareholder vote at the forthcoming AGM in 2020.

The Directors' Remuneration Report was last approved by shareholders at the AGM held on 15 May 2019, with 99.67% of votes cast (including votes cast at the Chairman's discretion) in favour and 0.33% of votes cast against.

Any discretionary fees paid to the Directors will be clearly disclosed in the Directors' Remuneration Report accompanied by an explanation of the work undertaken.

Directors' remuneration policy

In setting the appropriate level of Directors' fees, a number of factors are considered, including the workload of the Directors, their responsibilities, any change in these responsibilities and additional legal duties (for example as a result of new legislation being implemented), the relationship with their suppliers and service providers and the size and complexity of the Company. The time commitment required, the level of skills and appropriate experience required and the need for Directors to maintain on an ongoing basis an appropriate level of knowledge of regulatory and compliance requirements in an industry environment of increasing complexity are also taken into account. The Board also considers the average rate of inflation during the period since the last fee increase and reviews the level of remuneration in comparison with other investment trusts of a similar size and/or mandate, as well as taking account of any data published by the Association of Investment Companies to ensure that fees are in line with industry practice. This comparison, together with consideration of any alteration in non-executive Directors' responsibilities, is used to review whether any change in remuneration is necessary. The review is performed on an annual basis. The Board is cognisant of the need to avoid any potential conflicts of interest and has therefore agreed a mechanism by which no Director is present when his or her own pay is being considered.

The Company has no employees and consequently no consideration is required to be given to employment conditions elsewhere in setting this policy and there has been no employee consultation.

No element of the Directors' remuneration is performance related or subject to recovery or withholding (except for tax). Directors cannot be awarded any share options or long-term performance incentives. None of the Directors has a service contract with the Company or receives any non-cash benefits (except as described in the policy table), pension entitlements or compensation for loss of office.

The remuneration policy would be applied when agreeing the remuneration package of any new Director. The terms of Directors' appointment are detailed in a letter sent to them when they join the Board. These letters are available for inspection at the registered office of the Company. Directors' appointments do not have a fixed duration, but they can be terminated by the Company in writing at any time without obligation to pay compensation. On termination of the appointment, Directors shall only be entitled to accrued fees as at the date of termination together with reimbursement of any expenses properly incurred prior to that date. No payments for loss of office are made. Directors are subject to annual re-election.

Directors' remuneration report continued

Future policy table

Purpose and link to strategy		Fees payable to Directors should be sufficient to attract and retain individuals of high calibre who possess knowledge and experience suitably aligned to the activities of the Company. Those chairing the Board and key committees should be paid higher fees than other Directors in recognition of their more demanding roles. Fees should reflect the time spent by Directors on the Company's affairs and the responsibilities borne by the Directors.
Description		Current levels of fixed annual fee with effect from 1 January 2020: Chairman – £47,800 Audit Committee Chairman – £36,700 Remuneration Committee Chairman/Senior Independent Director – £34,600 Directors – £32,600 All reasonable expenses to be reimbursed.
Maximum and minimum levels		Remuneration consists of a fixed fee each year, set in accordance with the stated policies and any increase granted must be in line with the stated policies. The Company's Articles of Association set a limit of £250,000 in respect of the total remuneration that may be paid to Directors in any financial year. In addition, the Directors propose a limit of £50,000 in relation to the maximum that may be paid in respect of taxable benefits. These ceilings have been set at a level to provide flexibility in respect of the recruitment of additional Board members and inflation.
Policy on share ownership		Directors are not required to own shares in the Company, although all Directors are currently shareholders.
Operation	Fixed fee element	The Board reviews the quantum of Directors' pay each year to ensure that this is in line with the level of Directors' remuneration for other investment trusts of a similar size. When making recommendations for any changes in pay, the Board will consider wider factors such as the average rate of inflation over the period since the previous review, and the level and any change in complexity of the Directors' responsibilities (including additional time commitments as a result of increased regulatory or corporate governance requirements). Directors are not eligible to be compensated for loss of office, nor are they eligible for bonuses, pension benefits, share options or other incentives or benefits. Directors do not have service contracts but are appointed under letters of appointment.
Operation	Discretionary payments	The Company's Articles authorise the payment of discretionary fees to Directors for any additional work undertaken on behalf of the Company which is outside of their normal duties. Any such extra work undertaken is subject to the prior approval of the Chairman or, in the case of the Chairman undertaking the extra work, subject to the prior approval of the Chairman of the Audit Committee. The level of discretionary fees shall be determined by the Directors and will be subject to a maximum of £25,000 per annum per Director. Any discretionary fees paid will be disclosed in the Directors' remuneration implementation report within the Annual Report.
Operation	Taxable benefits	Some expenses incurred by Directors are required to be treated as taxable benefits. Taxable benefits include (but are not limited to) travel expenses incurred by the Directors in the course of travel to attend Board and Committee meetings which are held at the Company's registered offices in London, and which are reimbursed by the Company and therefore treated as a benefit in kind and are subject to tax and national insurance. The Company's policy in respect of this element of remuneration is that all reasonable costs of this nature will be reimbursed as they are incurred, including the tax and national insurance costs incurred by the Director on such expenses.

Corporate governance statement

Chairman's introduction

Corporate Governance is the process by which the Board seeks to look after shareholders' interests and protect and enhance shareholder value. Shareholders hold the Directors responsible for the stewardship of the Company, delegating authority and responsibility to the Directors to manage the Company on their behalf and holding them accountable for its performance.

The Board is ultimately responsible for framing and executing the Company's strategy and for closely monitoring risks. We aim to run the Company in a manner which is responsible and consistent with our belief in honesty, transparency and accountability. In our view, good governance means managing the business well and engaging effectively with investors. We consider the practice of good governance to be an integral part of the way we manage the Company and we are committed to maintaining high standards of financial reporting, transparency and business integrity.

As a UK-listed investment trust company our principal reporting obligation is driven by the UK Corporate Governance Code (the UK Code) issued by the Financial Reporting Council in July 2018. However, as listed investment trust companies differ in many ways from other listed companies, the Association of Investment Companies has drawn up its own set of guidelines, the AIC Code of Corporate Governance (the AIC Code) issued in February 2019, which addresses the governance issues relevant to investment companies and meets the approval of the Financial Reporting Council.

Both the UK Code and the AIC Code apply to accounting periods beginning on or after 1 January 2019. The Board has determined that it has complied with the recommendations of the AIC Code.

This report, which forms part of the Directors' Report, explains how the Board deals with its responsibility, authority and accountability.

Compliance

The Board has made the appropriate disclosures in this report to ensure that the Company meets its continuing obligations. It should be noted that, as an investment trust, most of the Company's day-to-day responsibilities are delegated to third party service providers, the Company has no employees and the Directors are all non-executives, therefore not all of the provisions are directly applicable to the Company.

The Board considers that the Company has complied with the recommendations of the AIC Code and the provisions contained within the UK Code throughout this accounting period, except for the provisions relating to:

- the role of the chief executive;
- executive directors' remuneration; and
- the need for an internal audit function as set out on page 62.

For the reasons set out in the AIC Guide, and as explained in the UK Code, the Board considers that these provisions are not relevant to the position of the Company, being an externally managed investment company with no executive employees and, in relation to the internal audit function, in view of BlackRock having an internal audit function.

The UK Code is available from the Financial Reporting Council's website at frc.org.uk. The AIC Code is available from the Association of Investment Companies at theaic.co.uk.

Information on how the Company has applied the principles of the AIC Code and the UK Code is set out below.

The Board

Board composition

The Board currently consists of five non-executive Directors. Mr Whitehead informed the Board last year that it was his intention to step down as a Director of the Company at the end of 2019. Consequently the Board undertook a search and selection process during the year to identify a new Director, and the preferred candidate, Ms Laurie Meister, was appointed to the Board with effect from 1 February 2020. Ms Meister will stand for election at the forthcoming Annual General Meeting and further details of her background and the biographies of all the Directors can be found on pages 43 to 45. Mr Whitehead retired from the Board on 31 December 2019. Mr Antonio Monteiro de Castro retired from the Board on 31 March 2019.

In accordance with best practice and developing corporate governance, all of the Directors have agreed to submit themselves to annual re-election. Therefore, all Directors will retire and stand for re-election and for election.

The Directors' biographies, on pages 43 to 45, demonstrate a breadth of investment knowledge, business and financial skills which enables them to provide effective strategic leadership and proper governance of the Company. Details of the Chairman's other significant time commitments can also be found on page 43.

Each Director has signed a letter of appointment to formalise in writing the terms of their appointment as Directors. Copies of these letters are available on request from the Company's registered office.

Board independence and tenure

The Board regularly reviews the independence of its members and considers all of the Directors to be independent. The Board is of the view that length of service will not necessarily compromise the independence or contribution of directors of an investment trust company, where continuity and experience can add significantly to the strength of the Board. It is considered that Dr Mahrukh Doctor, who has served as a Director for over 9 years, continues to be independent in both character and judgement.

Diversity

The Board's policy is to take diversity, including gender diversity, into account during the recruitment and appointment process. As of the date of this report the Board consists of two men and three women. The Board currently consists of three women and two men.

Directors' appointment, retirement and rotation

The rules concerning the appointment, retirement and rotation of Directors are set out on page 48 of the Directors' Report and page 59 of the Corporate Governance Statement.

The Board believes that it has a good balance of skills and experience. The Board recognises the value of progressive refreshing of, and succession planning for, company boards.

All Directors are subject to annual re-election. Each Director's appointment has been reviewed by the Board prior to submission for re-election. Following the formal evaluation the Chairman is pleased to confirm that each of the Directors standing for re-election or election continues to be effective and to demonstrate commitment to the role (including time for Board and Committee meetings and any other duties).

Dr Doctor, as Senior Independent Director, is pleased to confirm that, following the formal evaluation, the Chairman also continues to be effective and to demonstrate commitment to the role (including time for Board and Committee meetings and any other duties).

The Board accordingly recommends the re-election or election of the Chairman and each of the Directors to stand for election and re-election at the forthcoming AGM.

The Board is cognisant of the concept of "overboarding" and has considered the time commitment required by the Directors' other roles, taking into account their nature and complexity.

Directors' recruitment

The Nomination Committee, which comprises all the Directors, reviews Board structure, size and composition, the balance of knowledge, experience and skills range and to consider succession planning and tenure policy. Appointments of new Directors are made on a formalised basis, with the Committee agreeing the selection criteria and the method of selection, recruitment and appointment. Board diversity, including gender, are taken into account in establishing the criteria. The services of an external search consultant may be used to identify suitable candidates and assist with the selection process and, on the recommendation of the Nomination Committee, the Board engaged a third-party recruitment firm, Cornforth Consulting Limited, to assist in the search for a new Director during the year, resulting in the appointment of Ms Meister. The Committee meets at least once a year and more regularly if required.

Directors' induction and training

When a new Director is appointed to the Board, he or she is provided with all relevant information regarding the Company and their duties and responsibilities as a Director. In addition, a new Director will also spend some time with the Portfolio Managers, the Company Secretary and other key employees of the Manager whereby he or she will become familiar with the workings and processes of the Company.

The Company's policy is to encourage Directors to keep up to date and attend training courses on matters which are directly relevant to their involvement with the Company. The Directors also receive regular briefings from, amongst others, the auditors, representatives of the Manager and the Company Secretary regarding any proposed developments or changes in laws or regulations that could affect them or the Company.

Directors' liability insurance

The Company has maintained appropriate Directors' Liability Insurance cover throughout the year.

The Board's responsibilities

The Board is responsible for the effective stewardship of the Company's affairs. A formal schedule of matters reserved for the decision of the Board has been adopted. Investment policy and strategy are determined by the Board. It is also responsible for gearing policy, dividend policy, public documents such as the Annual Reports and Financial Statements, the terms of the discount control mechanism, buy back policy, and corporate governance matters. In order to enable them to discharge their responsibilities, the Board has full and timely access to relevant information.

The Board meets on a quarterly basis to review investment performance, financial reports and other reports of a strategic nature. Board or Board committee meetings are also held on an ad hoc basis to consider particular issues as they arise. Key representatives of the Manager and/or Investment Manager attend each meeting and between each meeting there is regular contact with the Manager and the Investment Manager.

In total the Board met formally on four occasions during the year. The full attendance record is set out on pages 43 to 45.

The Board has established a procedure whereby Directors, wishing to do so in the furtherance of their duties, may take independent professional advice at the Company's expense.

The Board has direct access to company secretarial advice and services of the Manager, through a nominated representative, who is responsible to the Board for ensuring that the Board and Committee procedures are followed, and that the Company complies with applicable rules and regulations.

Performance evaluation

In order to review the effectiveness of the Board, the Committees and the individual Directors, the Board carries out an annual appraisal process. This encompasses both quantitative and qualitative measures of performance in respect of the Board and its Committees, implemented by way of the completion of an evaluation survey and a subsequent review of the findings. The appraisal of the Chairman follows the same process and is carried out by the Board as a whole under the leadership of the Senior Independent Director in the absence of the Chairman. The appraisal process is considered by the Board to be constructive in terms of identifying areas for improving the functioning and performance of the Board and the Committees and the contribution of individual Directors, as well as building on and developing individual and collective strengths. There were no significant actions arising from the evaluation process and it was agreed that the Board as a whole and its Committees were functioning effectively.

Delegation of responsibilities

The Board has delegated the following areas of responsibility:

Management and administration

The management of the investment portfolio and the administration of the Company have been contractually delegated to BFM, as the Company's AIFM, and BFM (with the permission of the Company) has delegated certain investment management and other ancillary services to BIM (UK) (the Investment Manager). The contractual arrangements with the Manager are summarised on pages 46 and 47.

The Manager, operating under guidelines determined by the Board, has direct responsibility for the decisions relating to the day-to-day running of the Company and is accountable to the Board for the investment, financial and operating performance of the Company.

The Investment Manager has delegated the portfolio valuation and fund accounting services to The Bank of New York Mellon (International) Limited.

The review of the Manager's performance is an ongoing duty and responsibility of the Board which is carried out at every Board meeting. In addition, a formal review is undertaken annually, details of which are set out on page 47 of the Directors' Report.

The assets of the Company have been entrusted to the Depositary for safekeeping. The Depositary is The Bank of New York Mellon (International) Limited. The address at which the business is conducted is given on page 109. The agreement with the previous Depositary, BNY Mellon Trust & Depositary (UK) Limited, was transferred via a Deed of Novation dated 1 November 2017.

The Board has delegated the exercise of voting rights attaching to the securities held in the portfolio to the Investment Manager. Details of the Investment Manager's approach to voting at shareholder meetings are set out on page 48.

Committees of the Board

The Board has appointed a number of committees as set out below and on pages 41 and 42. Copies of the terms of reference of each committee are available on request from the Company's registered office and are also available on the BlackRock website at blackrock.co.uk/brla.

Audit Committee

The Audit Committee, which is currently chaired by Mr Cleland, comprises the whole Board with the exception of Ms Dobson, who is not a member of the Committee but who may attend by invitation.

Further details are provided in the Report of the Audit Committee on pages 65 to 68.

Nomination Committee

The Nomination Committee is currently chaired by Ms Dobson, and consists of the Chairman of the Committee, Dr Doctor, Mr Webber, Mr Cleland and Ms Meister (with effect from 1 February 2020). Further details are provided on page 42.

Management Engagement Committee

The Management Engagement Committee is currently chaired by Ms Dobson, and consists of the Chairman of the Committee, Dr Doctor, Mr Webber, Mr Cleland and Ms Meister (with effect from 1 February 2020). Further details are provided on page 41.

Remuneration Committee

The Remuneration Committee is currently chaired by Dr Doctor, and consists of the Chairman of the Committee, Ms Dobson, Mr Webber, Mr Cleland and Ms Meister (with effect from 1 February 2020). Further details are provided on page 42.

Internal controls

The Board is responsible for the internal controls of the Company and for reviewing their effectiveness, for ensuring that financial information published or used within the business is reliable, and for regularly monitoring compliance with regulations governing the operation of investment trusts.

The Board reviews the effectiveness of the internal control systems to identify, evaluate and manage the Company's significant risks. As part of that process the Audit Committee receives reports from the Manager setting out the internal controls which are in place and identifying any significant failings or weaknesses. If any matter is categorised by the Board as significant, procedures exist to ensure that necessary action is taken to remedy the failing. The Board is not aware of any significant failings or weaknesses arising in the year under review.

Control of the risks identified, covering financial, operational, compliance and risk management, is embedded in the operations of the Company. There is a monitoring and reporting process to review these controls, which has been in place throughout the year under review and up to the date of this report, carried out by the Manager's corporate audit departments. This accords with the Financial Reporting Council's "Internal Control: Revised Guidance for Directors on the UK Corporate Governance Code".

The Company's risk register sets out the risks relevant to the Company and describes, where relevant, the internal controls that are in place at the AIFM, the Investment Manager and other third party service providers to mitigate these risks. The Audit Committee (the Committee) formally reviews this register on a semi-annual basis and BFM as the Company's AIFM reports on any significant issues that have been identified in the period. In addition, BlackRock's internal audit department report to the Committee on a semi-annual basis on the results of testing performed in relation to BlackRock's internal control processes. The Depositary also reviews the control processes in place at the custodian, the Fund Accountant and the AIFM and reports formally to the Committee twice yearly. Both the AIFM and the Depositary will escalate issues and report to the Committee outside of these meetings on an ad hoc basis to the extent that this is required. The Committee also receives annual and quarterly Service Organisation Control (SOC 1) reports respectively from BlackRock and The Bank of New York Mellon (International) Limited on the internal controls of their respective operations, together with the opinion of their reporting accountants.

The Board recognises that these control systems can only be designed to manage rather than to eliminate the risk of failure to achieve business objectives, and to provide reasonable, but not absolute, assurance against material Corporate governance statement continued misstatement or loss, and relies on the operating controls established by the Manager, the Fund Accountant and the Custodian.

The Manager prepares revenue forecasts and management accounts which allow the Board to assess the Company's activities and review its performance. The Board and the Investment Manager have agreed clearly defined investment criteria, specified levels of authority and exposure limits. Reports on these issues, including performance statistics and investment valuations, are submitted to the Board at each meeting.

The Company does not have its own internal audit function as all administration is delegated to the Manager and other third party service providers. The Board monitors the controls in place through the Manager's internal audit department and feels that there is currently no need for the Company to have its own internal audit function, although this matter is kept under review.

Financial reporting

The Statement of Directors' Responsibilities in respect of the Annual Report and Financial Statements is set out on page 69, the Independent Auditors' Report on pages 71 to 78, and the Statement of Going Concern on page 48.

Socially responsible investment

Investment trusts do not employ staff and accordingly have no direct impact on social matters but can be significant investors in the economies of the regions in which they invest. The Company invests predominantly in securities quoted in Latin America. The Board believes that, to meet its investment objectives, it is important to invest in companies whose boards act responsibly in respect of environmental, ethical and social issues. The Investment Manager's evaluation procedures and financial analysis of the companies within the portfolio take into account environmental policies and other business issues.

More information in regard of the Manager's approach to responsible investing is given on pages 38 and 39.

Bribery prevention policy

The provision of bribes of any nature to third parties in order to gain a commercial advantage is prohibited and is a criminal offence. The Board has a zero tolerance policy towards bribery and a commitment to carry out business fairly, honestly and openly. The Board takes its responsibility to prevent bribery very seriously and the Manager has anti-bribery policies and procedures in place which are high level, proportionate and risk based. The Company's service providers have been contacted in respect of their anti-bribery policies and, where necessary, contractual changes are made to existing agreements in respect of anti-bribery provisions.

Criminal Finances Act 2017

The Company has a commitment to zero tolerance towards the criminal facilitation of tax evasion.

Communication with shareholders

Communication with shareholders is given a high priority.

All ordinary shareholders have the opportunity to attend and vote at the AGM. The Notice of Annual General Meeting sets out the business of the meeting and any item not of an entirely routine nature is explained in the Directors' Report. The annual report which contains the Notice of Annual General Meeting and related papers are sent to shareholders 20 business days' before the meeting. At the half year stage, a half yearly report, containing updated information in a more abbreviated form, is also sent out to all shareholders. Updated information is also available on the Manager's website at blackrock.co.uk/brla. Separate resolutions are proposed for substantive issues.

In addition, the Manager will review the Company's portfolio and performance at the AGM, where all the Directors and representatives of the Manager will be available to answer shareholders' queries. Proxy voting figures will be announced to the shareholders at the AGM and will be made available on the Company's website at blackrock.co.uk/brla shortly after the meeting. In accordance with provision 4 of the UK Corporate Governance Code, when, in the opinion of the Board, a significant proportion of votes have been cast against a resolution at any general meeting, the Board will explain, when announcing the results of voting, what actions it intends to take to understand the reasons behind the vote result.

The Board discusses with the Manager at each Board meeting any feedback from meetings with shareholders, and it also receives reports from its corporate broker. A regular dialogue has been maintained with the Company's institutional investors and private client asset managers both directly through the Board and through the Manager. The Chairman and other Directors also meet with shareholders periodically, without the Manager being present to ensure that the Manager is not used as the sole conduit for shareholder communication with the Board. The dialogue with shareholders provides a two way forum for canvassing the views of shareholders and for enabling the Board to become aware of any issues of concern, including those relating to performance, strategy and corporate governance.

Shareholders wishing to communicate with the Chairman, the Senior Independent Director and Chairman of the Audit Committee or other members of the Board may do so by writing to the Company Secretary at the registered office address on page 109 or by sending an email to cosec@blackrock.com. The Company Secretary has no authority to respond to enquiries addressed to the Board and all communication, other than junk mail, is redirected to the Chairman.

There is a section within this report entitled Shareholder Information, on pages 104 to 106, which provides an overview of useful information available to shareholders.

The Company's Annual Report and Financial Statements are also published on blackrock.co.uk/brla, which is the website maintained by the Company's Manager. The work undertaken by the Auditors does not involve consideration of the maintenance and integrity of the website and, accordingly, the Auditors accept no responsibility for any changes that have occurred to the financial statements since they were initially presented on the website. Visitors to the website need to be aware that legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

Packaged Retail & Insurance-Based Investment Products (PRIIPs) Regulation ('The Regulation')

With effect from 1 January 2018, the European Union's PRIIPs Regulation came into force and requires that anyone manufacturing, advising on, or selling a PRIIP to a retail investor in the EEA must comply with the Regulation. Shares issued by Investment Trusts fall into the scope of the Regulation.

Investors should be aware that the PRIIPs Regulation requires the AIFM, as PRIIPs manufacturer, to prepare a key information document ('KID') in respect of the Company. This KID must be made available, free of charge, to EEA retail investors prior to them making any investment decision and have been published on BlackRock's website. The Company is not responsible for the information contained in the KID and investors should note that the procedures for calculating the risks, costs and potential returns are prescribed by law. The figures in the KID may not reflect the expected returns for the Company and anticipated performance returns cannot be guaranteed.

The PRIIPs KID in respect of the Company can be found at: www.blackrock.co.uk/brla.

Disclosure guidance and transparency rules

Other information required to be disclosed pursuant to the Disclosure Guidance and Transparency Rules has been placed in the Directors' Report on pages 46 to 53 because it is information which refers to events that have taken place during the course of the year.

For and on behalf of the Board

CAROLAN DOBSON
Chairman
7 April 2020

Report of the audit committee

As Chairman of the Company's Audit Committee I am pleased to present the Committee's report for the year ended 31 December 2019.

Composition

The Audit Committee comprises all the Directors, with the exception of Ms Dobson, the Chairman of the Company. The Committee members as a whole have competence relevant to the investment trust sector and at least one member of the Committee has competence in accounting and/or auditing.

The biographies of the Directors may be found on pages 43 to 45.

Performance evaluation

Details of the evaluation of the Audit Committee are set out in the Corporate Governance Statement on page 61.

Role and responsibilities

The Company has established a separately chaired Audit Committee whose duties include considering and recommending to the Board for approval the contents of the half yearly and annual financial statements, and providing an opinion as to whether the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy. The Committee also reviews the external Auditors' report on the Annual Report and Financial Statements and is responsible for reviewing and forming an opinion on the effectiveness of the external audit process and audit quality. Other duties include reviewing the appropriateness of the Company's accounting policies and ensuring the adequacy of the internal control systems and standards. The terms of reference detailing the scope and duties of the Audit Committee are available on the website at blackrock.co.uk/brla.

The Audit Committee meets at least twice a year with the two planned meetings being held prior to the Board meetings to approve the half yearly and annual results. The Audit Committee receives information from the Investment Manager's internal audit and compliance departments.

Responsibilities and review of the external audit

During the year, the principal activities of the Audit Committee included:

- considering and recommending to the Board for approval the contents of the half yearly and annual financial statements and on an annual basis reviewing the external Auditors' report on the annual financial statements;
- reviewing the scope, execution, results, cost effectiveness, independence and objectivity of the external Auditors;
- reviewing and recommending to the Board for approval the audit and non-audit fees payable to the external Auditors and the terms of their engagement;
- reviewing and approving the external Auditors' plan for the financial year, with a focus on the identification of areas of audit risk, and consideration of the appropriateness of the level of audit materiality adopted;
- reviewing the role of the Board, the Manager and other third party service providers in an effective audit process;
- reviewing the efficacy of the external audit process and making a recommendation to the Board with respect to the reappointment of the Auditors;
- considering the quality of the formal audit report to shareholders;
- reviewing the appropriateness of the Company's accounting policies; and
- ensuring the adequacy of the internal control systems and standards.

Whistleblowing policy

The Committee has also reviewed and accepted the 'whistleblowing' policy that has been put in place by the Manager under which its staff, in confidence, can raise concerns about possible improprieties in matters of financial reporting or other matters, insofar as they affect the Company.

Internal audit

The Company does not have its own internal audit function, as all the administration is delegated to the Manager and other third party service providers. The Board considers that it is sufficient to rely on the internal audit department of BlackRock. The requirement for an internal audit function is kept under review.

Report of the audit committee continued

Non audit services

The Company's policy on non-audit services is set out in full in the Audit Committee's terms of reference which are available on the Company's website at www.blackrock.co.uk/brla. There were no non-audit services provided by the Auditor to the Company in the year to 31 December 2019 (2018: no non-audit services).

Significant issues considered regarding the annual report and financial statements

During the year, the Audit Committee considered a number of significant issues and areas of key audit risk in respect of the annual report and financial statements. The Audit Committee reviewed the external audit plan at an early stage and concluded that the appropriate areas of audit risk relevant to the Company had been identified and that suitable audit procedures had been put in place to obtain reasonable assurance that the financial statements as a whole would be free of material misstatements. The table below sets out the key areas of risk identified and also explains how these were addressed.

Significant issue	How the issue was addressed
The accuracy of the valuation of the investment portfolio	The Board reviews detailed portfolio valuations at each of its quarterly meetings and receives confirmation from the Investment Manager that the pricing basis is appropriate, in line with relevant accounting standards as adopted by the Company and that the carrying values are materially correct.
The risk of misappropriation of assets and unsecured ownership of investments	The Depositary is responsible for financial restitution for the loss of financial investments held in custody. The Depositary reports to the Committee twice a year. The Committee reviews reports from its service providers on key controls over the assets of the Company. Any significant issues are reported by the Manager to the Committee. The Manager has put in place procedures to ensure that investments can only be made to the extent that the appropriate contractual and legal arrangements are in place to protect the Company's assets.
The risk that income is overstated, incomplete or inaccurate through failure to recognise proper income entitlements or to apply the appropriate accounting treatment for recognition of income	The Board reviews income forecasts, including special dividends, and receives explanations from the Manager for any variations or significant movements from previous forecasts and prior year figures.

As the provision of portfolio valuation, fund accounting and administration services is delegated to BIM (UK), which sub-delegates fund accounting to The Bank of New York Mellon (International) Limited ('BNYM'), and the provision of depositary services is contracted to BNYM, the Audit Committee has also reviewed the Service Organisation Control Reports prepared by BlackRock, the Custodian and the Fund Accountant to ensure that the relevant control procedures are in place to cover these areas of risk as identified above and are adequate and appropriate, and have been designated as operating effectively by the reporting auditors.

Auditor and audit tenure

The Company's current Auditor, PricewaterhouseCoopers LLP, has acted in this role since the Company's launch in 1990. The Committee, in conjunction with the Board, is committed to reviewing this appointment on a regular basis to ensure the Company is receiving an optimal level of service. The appointment of the auditor is reviewed each year and the audit partner rotates at least every five years. Mr Christopher Meyrick has been the Company's audit engagement leader since 2019; his predecessor, Mr Parwinder Purewal, acted as audit partner since 2015, rotating off as audit partner in the last year.

The Committee is mindful of the EU Audit Reform, including regulations on mandatory auditor rotation which require a review of the appointment of the auditor every ten years. The EU legislation also prohibits certain non-audit consulting services and caps the amount of additional fees auditors can charge their clients. There are no contractual obligations that restrict the Company's choice of auditor. As a result, the Company carried out a formal tender process and Ernst and Young LLP was selected as the Company's new Independent Auditor for the forthcoming year. Consequently, a resolution to appoint PricewaterhouseCoopers LLP as Auditors of the Company will not be put to the forthcoming Annual General Meeting. The Board are proposing instead a resolution to appoint Ernst & Young LLP as Auditor to the Company. The Committee will continue to review the Auditor's appointment each year to ensure that the Company is receiving an optimal level of service. There were no fees paid to the Auditor in respect of non-audit services in the year. The Company's policy on non-audit services is set out in full in the Audit Committee's terms of reference which are available on the Company's website at blackrock.co.uk/brla.

Assessment of the effectiveness of the external audit process

To assess the effectiveness of the external audit, members of the Audit Committee work closely with BIM (UK) and BFM to obtain a good understanding of the progress and efficiency of the audit. The Audit Committee has adopted a framework in its review of the effectiveness of the external audit process and audit quality. This includes a review of the following areas:

- The quality of the audit engagement partner and the audit team;
- The expertise of the audit firm and the resources available to it;
- Identification of areas of audit risk;
- Planning, scope and execution of the audit;
- Consideration of the appropriateness of the level of audit materiality adopted;
- The role of the Audit Committee, the Manager and third party service providers in an effective audit process;
- Communications by the Auditors with the Audit Committee;
- How the Auditors support the work of the Audit Committee and how the audit contributes added value;
- A review of independence and objectivity of the audit firm; and
- The quality of the formal audit report to shareholders.

Feedback in relation to the audit process and the effectiveness of the Manager in performing its role is also sought from relevant involved parties, notably the audit partner and team. The external Auditors are invited to attend the Audit Committee meetings at which the semi-annual and annual report and financial statements are considered and at which they have the opportunity to meet with the Audit Committee without representatives of the Manager being present. The effectiveness of the Board and the Manager in the external audit process is assessed principally in relation to the timely identification and resolution of any process errors or control breaches that might impact the Company's net asset values and accounting records. It is also assessed by reference to how successfully any issues in respect of areas of accounting judgement are identified and resolved, the quality and timeliness of papers analysing these judgements, the Board and the Manager's approach to the value of independent audit and the booking of any audit adjustments arising, and the timely provision of draft public documents for review by the Auditors and the Audit Committee.

To form a conclusion with regard to the independence of the external Auditors, the Audit Committee considers whether the skills and experience of the auditors make them a suitable supplier of any non-audit services and whether there are safeguards in place to ensure that there is no threat to their objectivity and independence in the conduct of the audit resulting from the provision of any such services. On an annual basis, PricewaterhouseCoopers LLP reviews the independence of its relationship with the Company and reports to the Audit Committee, providing details of any other relationship with the Manager. As part of this review, the Audit Committee also receives information about policies and processes for maintaining independence and monitoring compliance with relevant requirements from the Company's auditors, including information on the rotation of audit partners and staff, the level of fees that the Company pays in proportion to the overall fee income of the firm, and the level of related fees, details of any relationships between the audit firm and its staff and the Company as well as an overall confirmation from the Auditors of their independence and objectivity.

As a result of their review, the Audit Committee has concluded that the external audit has been conducted effectively and also that PricewaterhouseCoopers LLP is independent of the Company.

Conclusions in respect of the annual report and financial statements

The production and the audit of the Company's Annual Report and Financial Statements is a comprehensive process requiring input from a number of different contributors. One of the key governance requirements of the Company's Annual Report and Financial Statements is that they are fair, balanced and understandable. The Board has requested that the Audit Committee advise on whether it considers that the Annual Report and Financial Statements fulfil these requirements, and the Audit Committee has given consideration to the following:

- The comprehensive control framework over the production of the Annual Report and Financial Statements, including the verification processes in place to deal with the factual content;

- The comprehensive reviews that are undertaken at different levels in the production process of the Annual Report and Financial Statements, by the Manager, the third party service providers responsible for accounting services and the Audit Committee that aim to ensure consistency and overall balance;
- The controls that are in place at the Manager and other third party service providers to ensure the completeness and accuracy of the Company's financial records and the security of the Company's assets;
- The existence of satisfactory Service Organisation Control (SOC 1) reports that have been reviewed and reported on by external auditors to verify the effectiveness of the internal controls of the Manager, Custodian and Fund Accountants.

In addition to the work outlined above, the Audit Committee has reviewed the Annual Report and Financial Statements and is satisfied that, taken as a whole, they are fair, balanced and understandable. In reaching this conclusion, the Audit Committee has assumed that readers of the Annual Report and Financial Statements would have a reasonable level of knowledge of the investment trust industry. The Audit Committee has reported on these findings to the Board who affirm the Audit Committee's conclusion in the Statement of Directors' Responsibilities on page 69.

CRAIG CLELAND
Chairman
Audit Committee
7 April 2020

Statement of directors' responsibilities in respect of the annual report and financial statements

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable United Kingdom law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company as at the end of each financial year and of the profit or loss of the Company for that year.

In preparing those financial statements, the Directors are required to:

- present fairly the financial position, financial performance and cash flows of the Company;
- select suitable accounting policies and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for preparing the Strategic Report, Directors' Report, the Directors' Remuneration Report, the Corporate Governance Statement and the Report of the Audit Committee in accordance with the Companies Act 2006 and applicable regulations, including the requirements of the Listing Rules and the Disclosure Guidance and Transparency Rules.

The Directors have delegated responsibility to the Investment Manager for the maintenance and integrity of the Company's corporate and financial information included on the Investment Manager's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors, whose names are listed on pages 43 to 45, confirm to the best of their knowledge that:

- the Financial Statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the Annual Report and Financial Statements include a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

The 2018 UK Corporate Governance Code also requires Directors to ensure that the Annual Report and Financial Statements are fair, balanced and understandable. In order to reach a conclusion on this matter, the Board has requested that the Audit Committee advise on whether it considers that the Annual Report and Financial Statements fulfil these requirements. The process by which the Committee has reached these conclusions is set out in the Audit Committee's report on pages 65 to 68. As a result, the Board has concluded that the Annual Report and Financial Statements for the year ended 31 December 2019, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

For and on behalf of the Board

CAROLAN DOBSON
Chairman
7 April 2020

Financial statements

Mexican airport operator, Grupo Aeroportuario del Pacifico, was another stock in the Company's portfolio that performed well in the year, following a larger than expected tariff increase in the fourth quarter, and a more pragmatic and business friendly stance from regulators.

Independent auditors' report

to the members of BlackRock Latin American Investment Trust plc

Report on the audit of the financial statements

Opinion

In our opinion, BlackRock Latin American Investment Trust plc's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2019; the Income Statement, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company.

We have provided no non-audit services to the Company in the period from 1 January 2019 to 31 December 2019.

Our audit approach

Overview

Materiality	• Overall materiality: $2.9 million (2018: $2.6 million), based on 1% of net assets.
Audit scope	• The Company is a standalone Investment Trust Company and engages BlackRock Fund Managers Limited (the "Manager") to manage its assets. • We conducted our audit of the financial statements using information from The Bank of New York Mellon (International) Limited (the "Fund Accountant") to whom the Manager has, with the consent of the Directors, delegated the provision of certain administrative functions. • We tailored the scope of our audit taking into account the types of investments within the Company, the involvement of the third parties referred to above, the accounting processes and controls, and the industry in which the Company operates. • We obtained an understanding of the control environment in place at both the Manager and the Fund Accountant, and adopted a fully substantive testing approach using reports obtained from the Fund Accountant.
Key audit matters	• Valuation and existence of investments. • Accuracy, occurrence and completeness of dividend income. • Consideration of the impact of COVID-19. • Ability to continue as a going concern: continuation vote.

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of Chapter 4 of Part 24 of the Corporation Tax Act 2010 (see page 20 of the Annual Report), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase income (investment revenue and capital gains) or to increase net asset value. Audit procedures performed by the engagement team included:

- discussions with the Manager and the Audit Committee, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- reviewing relevant meeting minutes, including those of the Audit Committee;
- evaluation of the controls implemented by the Company and the Fund Accountant designed to prevent and detect irregularities;
- assessment of the Company's compliance with the requirements of Chapter 4 of Part 24 of the Corporation Tax Act 2010, including recalculation of numerical aspects of the eligibility conditions;
- identifying and testing journal entries, in particular year end journal entries posted by the Fund Accountant during the preparation of the financial statements; and
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, 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.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter
Valuation and existence of investments *Refer to the Report of the Audit Committee (page 66), Accounting Policies (page 84) and Notes to the Financial Statements (page 91).* The investment portfolio at the year-end principally comprised of listed equity investments. We focused on the valuation and existence of investments because investments represent the principal element of the net asset value as disclosed on the Balance Sheet.	We tested the valuation of the equity investments by agreeing the prices used in the valuation to independent third party sources. We tested the existence of the investment portfolio by agreeing investment holdings to an independent custodian confirmation. No material issues were identified.

Key audit matter	How our audit addressed the key audit matter
Accuracy, occurrence and completeness of dividend income *Refer to the Report of the Audit Committee (page 66), Accounting Policies (page 83) and Notes to the Financial Statements (page 85).* We focused on the accuracy, occurrence and completeness of dividend income recognition as incomplete or inaccurate income could have a material impact on the Company's net asset value and dividend cover. We also focused on the accounting policy for income recognition and its presentation in the Income Statement as set out in the requirements of The Association of Investment Companies Statement of Recommended Practice (the "AIC SORP") as incorrect application could result in a misstatement in income recognition.	We have assessed the accounting policy for investment income recognition for compliance with accounting standards and the AIC SORP and performed testing to check that income has been accounted for in accordance with this stated accounting policy. We tested the accuracy of dividend receipts by agreeing the dividend rates from investments to independent market data. To test for completeness, we tested, for all investment holdings in the portfolio, that dividends declared in the market had been recorded. To test for occurrence, we confirmed that all dividends recorded had occurred in the market, and audited cash reconciliations to identify any unreconciled dividend cash payments. We also tested the allocation and presentation of dividend income between the revenue and capital return columns of the Income Statement in line with the requirements set out in the AIC SORP by determining reasons behind dividend distributions. No material issues were identified.

Key audit matter	How our audit addressed the key audit matter
Consideration of the impact of COVID-19 *Refer to the Chairman's Statement (page 4), Principal Risk and Uncertainties (page 19), Viability Statement (page 21), the Going Concern Statement (page 48) and Subsequent Events note (page 102), which disclose the impact of the COVID-19 coronavirus pandemic.* From a small number of cases of an unknown virus in 2019, the COVID-19 viral infection has become a global pandemic. It has caused disruption to supply chains and travel, slowed global growth and caused volatility in global markets and in exchange rates during the first quarter of 2020. The impact of COVID-19 has been treated as a non-adjusting event after the end of the reporting period reflecting the timing of the spread of the pandemic. Subsequent to the year-end, the net asset value per share of the Company has decreased by 51.4% from 732.15 cents per share to 356.13 cents per share and the Company's share price has decreased by 48.0% from 643.17 cents per share to 334.23 cents per share as at 2 April 2020. The Directors have prepared the financial statements of the Company on a going concern basis, and believe this assumption remains appropriate. This conclusion is based on the assessment that notwithstanding the significant market fall and the related uncertainties, they are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and is financially sound, and that the Company and its key third party service providers have in place appropriate business continuity plans and will be able to maintain service levels through the coronavirus pandemic.	We evaluated the Directors' assessment of the impact of the COVID-19 pandemic on the Company by: • Evaluating the Company's updated risk assessment and considering whether it addresses the relevant threats presented by COVID-19. • Evaluating management's assessment of operational impacts, considering their consistency with other available information and our understanding of the business and assessing the potential impact on the financial statements. We obtained and evaluated the Directors' going concern assessment which reflects conditions up to the point of approval of the Annual Report by: • Obtaining evidence to support the key assumptions and forecasts driving the Directors' assessment. This included reviewing the Directors assessment of the Company's financial position and forecasts as well as their review of the operational resilience of the Company and oversight of key third party service providers. We assessed the disclosures presented in the Annual Report in relation to COVID-19 by: • Testing note 21 'Post balance sheet events' in the financial statements by agreeing the post-year end Net Asset Value and Company share price to supporting evidence. • Reading the other information, including the Principal Risks and Viability Statement set out in the Strategic Report, and assessing its consistency with the financial statements and the evidence we obtained in our audit. Our conclusions relating to other information are set out in the 'Reporting on other information' section of our report. We are satisfied that the Directors' conclusion that the impact of COVID-19 should be treated as a non-adjusting event after the end of the reporting period is appropriate and have been appropriately disclosed as such in the financial statements. . Our conclusions relating to going concern are set out in the 'Conclusions relating to going concern' section below.

Key audit matter	How our audit addressed the key audit matter
Ability to continue as a going concern: continuation vote *Refer to the Viability Statement in the Strategic Report (page 21), the Going Concern section of the Directors' Report (page 48) and Report of the Audit Committee and the Basis of Preparation in the Notes to the Financial Statements (page 83).* A continuation vote is due to take place at the 2020 AGM, which, if passed, will allow the Company to continue as an investment trust for a further two years. As such, the Directors have considered and assessed the potential impact on the ability of the Company to continue as a going concern.	We have reviewed the Directors' assessment of going concern in relation to the passing of the continuation vote. We have challenged the Directors on their assessment which includes, but is not limited to, the following in support of the vote: • The shareholder register is stable, comprising a range of private wealth managers and retail investors, with three institutions cumulatively owning over 50%; • The Company has a positive long-term performance track record, and the significant decline in its portfolio valuation as part of the COVID-19 market uncertainty following the year end has not deviated significantly from the benchmark; and • Whilst the past is not indicative of the future, we have considered the results of the past bi-annual continuation votes and the consistency of shareholders voting in favour of the continuation of the Company. We have also considered the statement from the brokers that, following discussion with major shareholders, they are confident that the continuation vote will be passed. Our conclusions relating to going concern are set out in the 'Going Concern' section below.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

The Company's accounting is delegated to the Fund Accountant who maintains the Company's accounting records and who has implemented controls over those accounting records.

We obtained our audit evidence from substantive tests. However, as part of our risk assessment, we understood and assessed the internal controls in place at both the Manager and the Fund Accountant to the extent relevant to our audit. This assessment of the operating and accounting structure in place at both organisations involved obtaining and analysing the relevant control reports issued by the independent service auditor of the Manager and the Fund Accountant in accordance with generally accepted assurance standards for such work. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	\$2.9 million (2018: \$2.6 million).
How we determined it	1% of net assets.
Rationale for benchmark applied	We applied this benchmark, which is a generally accepted auditing practice for investment trust audits.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above $144,000 (2018: $128,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Going concern

In accordance with ISAs (UK) we report as follows:

Reporting obligation	Outcome
We are required to report if we have anything material to add or draw attention to in respect of the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements and the Directors' identification of any material uncertainties to the Company's ability to continue as a going concern over a period of at least twelve months from the date of approval of the financial statements.	We have nothing material to add or to draw attention to. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.
We are required to report if the Directors' statement relating to Going Concern in accordance with Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit.	We have nothing to report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, the Companies Act 2006 (CA06), ISAs (UK) and the Listing Rules of the Financial Conduct Authority (FCA) require us also to report certain opinions and matters as described below (required by ISAs (UK) unless otherwise stated).

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements. *(CA06)*

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report. *(CA06)*

The Directors' assessment of the prospects of the Company and of the principal risks that would threaten the solvency or liquidity of the Company

We have nothing material to add or draw attention to regarding:

- The Directors' confirmation on pages 18 and 21 of the Annual Report that they have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity.
- The disclosures in the Annual Report that describe those risks and explain how they are being managed or mitigated.
- The Directors' explanation on pages 21 and 22 of the Annual Report as to how they have assessed the prospects of the Company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities

as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We have nothing to report having performed a review of the Directors' statement that they have carried out a robust assessment of the principal risks facing the Company and statement in relation to the longer-term viability of the Company. Our review was substantially less in scope than an audit and only consisted of making inquiries and considering the Directors' process supporting their statements; checking that the statements are in alignment with the relevant provisions of the UK Corporate Governance Code (the "Code"); and considering whether the statements are consistent with the knowledge and understanding of the Company and its environment obtained in the course of the audit. *(Listing Rules)*

Other Code Provisions

We have nothing to report in respect of our responsibility to report when:

- The statement given by the Directors, on page 68, that they consider the Annual Report taken as a whole to be fair, balanced and understandable, and provides the information necessary for the members to assess the Company's position and performance, business model and strategy is materially inconsistent with our knowledge of the Company obtained in the course of performing our audit.
- The section of the Annual Report on pages 65 to 68 describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.
- The Directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified, under the Listing Rules, for review by the auditors.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006. *(CA06)*

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in respect of the Annual Report and Financial Statements set out on page 69, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The Directors are also responsible for such internal control as they determine 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 Directors are responsible for assessing the Company'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 Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

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

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the audit committee, we were appointed by the Directors in January 1990 to audit the financial statements for the year ended 31 December 1990 and subsequent financial periods. The period of total uninterrupted engagement is 30 years, covering the years ended 31 December 1990 to 31 December 2019.

Christopher Meyrick (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
7 April 2020

Income statement

for the year ended 31 December 2019

	Notes	Revenue 2019	Revenue 2018	Capital 2019	Capital 2018	Total 2019	Total 2018
		US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Gains/(losses) on investments held at fair value through profit or loss	10	–	–	40,807	(18,800)	40,807	(18,800)
(Losses)/gains on foreign exchange		–	–	(128)	103	(128)	103
Income from investments held at fair value through profit or loss	3	9,231	8,017	–	–	9,231	8,017
Other income	3	2	1	–	–	2	1
Total income/(losses)		9,233	8,018	40,679	(18,697)	49,912	(10,679)
Expenses							
Investment management fees	4	(548)	(523)	(1,646)	(1,568)	(2,194)	(2,091)
Other operating expenses	5	(839)	(688)	(48)	(56)	(887)	(744)
Total operating expenses		(1,387)	(1,211)	(1,694)	(1,624)	(3,081)	(2,835)
Net profit/(loss) on ordinary activities before finance costs and taxation		7,846	6,807	38,985	(20,321)	46,831	(13,514)
Finance costs	6	(198)	(167)	(595)	(503)	(793)	(670)
Net profit/(loss) on ordinary activities before taxation		7,648	6,640	38,390	(20,824)	46,038	(14,184)
Taxation	7	(542)	(693)	–	–	(542)	(693)
Net profit/(loss) on ordinary activities after taxation		7,106	5,947	38,390	(20,824)	45,496	(14,877)
Earnings/(loss) per ordinary share (US$ cents)	9	18.10	15.13	97.78	(52.98)	115.88	(37.85)

The total column of this statement represents the Company's profit and loss account. The supplementary revenue and capital columns are both prepared under guidance published by the Association of Investment Companies (AIC). All items in the above statement derive from continuing operations. No operations were acquired or discontinued during the year. All income is attributable to the equity holders of the Company.

The net profit/(loss) for the year disclosed above represents the Company's total comprehensive income/(loss).

The notes on pages 83 to 102 form part of these financial statements.

Statement of changes in equity

for the year ended 31 December 2019

	Notes	Called up share capital	Share premium account	Capital redemption reserve	Non-distributable reserve	Capital reserves	Revenue reserve	Total
		US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
For the year ended 31 December 2019								
At 31 December 2018		4,144	11,719	4,843	4,356	217,063	13,120	255,245
Total comprehensive income:								
Net profit for the year		–	–	–	–	38,390	7,106	45,496
Transactions with owners, recorded directly to equity:								
Dividends paid[1]	8	–	–	–	–	–	(13,297)	(13,297)
At 31 December 2019		4,144	11,719	4,843	4,356	255,453	6,929	287,444
For the year ended 31 December 2018								
At 31 December 2017		4,144	11,719	4,843	4,356	240,131	14,397	279,590
Total comprehensive (loss)/income:								
Net (loss)/profit for the year		–	–	–	–	(20,824)	5,947	(14,877)
Transactions with owners, recorded directly to equity:								
Ordinary shares purchased into treasury		–	–	–	–	(654)	–	(654)
Share purchase costs		–	–	–	–	(5)	–	(5)
Dividends paid[2]	8	–	–	–	–	(1,585)	(7,224)	(8,809)
At 31 December 2018		4,144	11,719	4,843	4,356	217,063	13,120	255,245

[1] Quarterly dividend of 8.13 cents per share for the year ended 31 December 2018, declared on 2 January 2019 and paid on 8 February 2019; quarterly dividend of 8.56 cents per share for the year ended 31 December 2019, declared on 1 April 2019 and paid on 17 May 2019; quarterly dividend of 9.15 cents per share for the year ended 31 December 2019, declared on 1 July 2019 and paid on 16 August 2019; quarterly dividend of 8.03 cents, declared on 1 October 2019 and paid on 8 November 2019.

[2] Final dividend of 7.00 cents per share for the year ended 31 December 2017, declared on 13 March 2018 and paid on 6 June 2018; first interim dividend of 7.57 cents per share for the year ended 31 December 2018, declared on 3 July 2018 and paid on 23 August 2018; second interim dividend of 7.85 cents per share for the year ended 31 December 2018, declared on 2 October 2018 and paid on 9 November 2018.

The notes on pages 83 to 102 form part of these financial statements.

Balance sheet

as at 31 December 2019

	Notes	2019 US$'000	2018 US$'000
Fixed assets			
Investments held at fair value through profit or loss	10	300,571	278,124
Current assets			
Debtors	11	7,175	3,680
Cash and cash equivalents		305	137
		7,480	3,817
Creditors – amounts falling due within one year			
Bank overdraft	16c	(18,610)	(25,593)
Other creditors	12	(1,735)	(841)
		(20,345)	(26,434)
Net current liabilities		(12,865)	(22,617)
Total assets less current liabilities		287,706	255,507
Creditors – amounts falling due after more than one year			
Non current tax liability	7c	(238)	(238)
Non-equity redeemable shares	13	(24)	(24)
		(262)	(262)
Net assets		287,444	255,245
Capital and reserves			
Called up share capital	14	4,144	4,144
Share premium account	15	11,719	11,719
Capital redemption reserve	15	4,843	4,843
Non-distributable reserve	15	4,356	4,356
Capital reserves	15	255,453	217,063
Revenue reserve	15	6,929	13,120
Total shareholders' funds		287,444	255,245
Net asset value per ordinary share (US$ cents)	9	732.15	650.15

The financial statements on pages 79 to 102 were approved and authorised for issue by the Board of Directors on 7 April 2020 and signed on its behalf by Carolan Dobson, Chairman.

BlackRock Latin American Investment Trust plc

Registered in England, No. 2479975

The notes on pages 83 to 102 form part of these financial statements.

Statement of cash flows

for the year ended 31 December 2019

	2019 US$'000	2018 US$'000
Operating activities		
Net profit/(loss) before taxation	46,038	(14,184)
Add back finance costs	793	670
(Gains)/losses on investments held at fair value through profit or loss	(40,807)	18,800
Losses/(gains) on foreign exchange	128	(103)
Sales of investments held at fair value through profit or loss	256,355	129,248
Purchases of investments held at fair value through profit or loss	(241,533)	(124,526)
Decrease/(increase) in other debtors	43	(151)
Increase/(decrease) in other creditors	894	(800)
Taxation on investment income	(542)	(693)
Net cash generated from operating activities	21,369	8,261
Financing activities		
Interest paid	(793)	(670)
Share purchase costs paid	–	(5)
Ordinary shares purchased into treasury	–	(654)
Dividends paid	(13,297)	(8,809)
Net cash used in financing activities	(14,090)	(10,138)
Increase/(decrease) in cash and cash equivalents	7,279	(1,877)
Cash and cash equivalents at the start of the year	(25,456)	(23,682)
Effect of foreign exchange rate changes	(128)	103
Cash and cash equivalents at end of the year	(18,305)	(25,456)
Comprised of:		
Cash at bank	305	137
Bank overdraft	(18,610)	(25,593)
	(18,305)	(25,456)

The notes on pages 83 to 102 form part of these financial statements.

Notes to the financial statements

for the year ended 31 December 2019

1. Principal activity

The Company was incorporated on 12 March 1990 and its principal activity is that of an investment trust company within the meaning of section 1158 of the Corporation Tax Act 2010.

2. Accounting policies

The principal accounting policies adopted by the Company are set out below.

(a) Basis of preparation

The financial statements have been prepared on a going concern basis in accordance with 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the revised Statement of Recommended Practice – 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (SORP) issued by the Association of Investment Companies (AIC) in November 2014 and updated in October 2019, and the provisions of the Companies Act 2006.

The revised SORP issued in October 2019 is applicable for accounting periods beginning on or after 1 January 2019. As a result, the gain arising from disposals of investments of US$27,781,000 (gain in 2018 of US$3,404,000) and gain on revaluation of investments of US$13,026,000 (loss in 2018 of US$22,204,000) have now been combined, as shown in note 10 to the financial statements. The result of this change has no impact on the net asset value or total return for both the current year and prior year. No other accounting policies or disclosures have changed as a result of the revised SORP.

The Company's Articles of Association require that an ordinary resolution be put to the Company's shareholders to approve the continuation of the Company on a biennial basis. The Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and therefore consider the going concern assumption to be appropriate. The last resolution was put to shareholders at the 2018 AGM and the next such resolution will be put to shareholders at the AGM in 2020 (see pages 21 and 22 for further details). The Directors have no reason to believe that this resolution will not be passed.

The principal accounting policies adopted by the Company are set out below. Unless specified otherwise, the policies have been applied consistently throughout the year and are consistent with those applied in the preceding year. All of the Company's operations are of a continuing nature.

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. These assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the current and future periods, depending on circumstance. The Directors do not believe that any accounting judgements or estimates have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

The Company's financial statements are presented in US Dollars, which is the functional and presentation currency of the Company. The US Dollar is the functional currency because it is the currency most related to the primary economic environment in which the Company operates. All values are rounded to the nearest thousand dollars (US$'000) except where otherwise indicated.

(b) Presentation of income statement

In order to reflect the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the Income Statement between items of a revenue and a capital nature has been presented alongside the Income Statement.

(c) Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment of business being investment business.

(d) Income

Dividends receivable on equity shares are treated as revenue for the year on an ex-dividend basis. Where no ex-dividend date is available, dividends receivable on or before the year end are treated as revenue for the year. Provisions are made for dividends not expected to be received.

Special dividends are recognised on an ex-dividend basis and treated as capital or revenue depending on the facts and circumstances of each dividend.

Dividends are accounted for in accordance with Section 29 of FRS 102 on the basis of income actually receivable, without adjustment for tax credits attaching to the dividend. Dividends from overseas companies continue to be shown gross of withholding tax.

Deposit interest receivable is accounted for on an accruals basis. Underwriting commission is recognised when the issue underwritten closes.

Where the Company has elected to receive its dividends in the form of additional shares rather than in cash, the cash equivalent of the dividend is recognised as revenue. Any excess in the value of the shares received over the amount of the cash dividend is recognised in capital.

2. Accounting policies continued

Fixed returns on non-equity securities are recognised on a time apportionment basis. The return on a fixed interest security is recognised on a time apportionment basis so as to reflect the effective yield on the debt security. Amounts amortised during the year are recognised in the Income Statement. Interest income is accounted for on an accruals basis unless the availability of accurate accrual information is limited in which case a cash receipts basis is used.

(e) Expenses

All expenses, including finance costs, are accounted for on an accruals basis. Expenses have been charged wholly to the revenue column of the Income Statement, except as follows:

- expenses which are incidental to the acquisition or disposal of an investment are treated as capital. Details of transaction costs on the purchases and sales of investments are disclosed in note 10 on page 91;
- expenses are treated as capital where a connection with the maintenance or enhancement of the value of the investments can be demonstrated;
- the investment management fee and finance costs have been allocated 75% to the capital column and 25% to the revenue column of the Income Statement in line with the Board's expected long term split of returns, in the form of capital gains and income respectively, from the investment portfolio.

(f) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that were applicable at the balance sheet date.

The current tax effect of different items of expenditure is allocated between capital and revenue on the marginal basis using the Company's effective rate of corporation tax for the accounting period.

Deferred taxation is recognised in respect of all timing differences at the financial reporting date, where transactions or events that result in an obligation to pay more taxation in the future or right to less taxation in the future have occurred at the balance sheet date. Deferred tax is measured on a non-discounted basis, at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. This is subject to deferred taxation assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the timing differences can be deducted.

(g) Investments held at fair value through profit or loss

The Company's investments are classified as held at fair value through profit or loss in accordance with Sections 11 and 12 of FRS 102 and are managed and evaluated on a fair value basis in accordance with its investment strategy.

All investments are designated upon initial recognition as held at fair value through profit or loss. Purchases of investments are recognised on a trade date basis. Sales are recognised at the trade date of the disposal and the proceeds are measured at fair value, which is regarded as the proceeds of the sale less any transaction costs.

The fair value of the financial investments is based on their quoted bid price at the balance sheet date on the exchange on which the investment is quoted, without deduction for the estimated future selling costs.

Changes in the value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the Income Statement as 'Gains or losses on investments held at fair value through profit or loss'. Also included within this heading are transaction costs in relation to the purchase or sale of investments.

The fair value hierarchy consists of the following three levels:

Level 1 – Quoted market prices for identical instruments in active markets.

Level 2 – Valuation techniques using observable inputs.

Level 3 – Valuation techniques using significant unobservable inputs.

Unquoted investments are valued by the Directors at fair value using International Private Equity and Venture Capital Valuation Guidelines. This policy applies to unquoted fixed asset investments held by the Company.

(h) Debtors

Debtors include sales for future settlement, other debtors and pre-payments and accrued income in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

(i) Creditors

Creditors include purchases for future settlements, interest payable, share buy back costs and accruals in the ordinary course of business. Creditors are classified as creditors – amounts due within one year if payment is due within one year or less. If not, they are presented as creditors – amounts due after more than one year.

(j) Dividends payable

Under Section 32 of FRS 102, final dividends should not be accrued in the financial statements unless they have been approved by shareholders before the balance sheet date. Dividends payable to equity shareholders are recognised in the Statement of Changes in Equity when they have been approved by shareholders and have become a liability of the Company. Interim dividends are only recognised in the financial statements in the period in which they are paid. Dividends are financed through a combination of available net income in each financial year and revenue and capital reserves.

(k) Cash and cash equivalents

Cash comprises cash in hand and demand deposits. Cash equivalents include bank overdrafts repayable on demand and short term, highly liquid investments, that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

(l) Foreign currency translation

In accordance with Section 30 of FRS 102, the Company is required to nominate a functional currency being the currency in which the Company predominately operates. The functional and reporting currency is US Dollars, reflecting the primary economic environment in which the Company operates. Transactions in foreign currencies are translated into US Dollars at the rates of exchange ruling on the date of the transaction. Foreign currency monetary assets and liabilities, and non-monetary assets held at fair value are translated into US Dollars at the rates of exchange ruling at the balance sheet date. Profits and losses thereon are recognised in the capital column of the Income Statement and taken to the capital reserve.

(m) Share repurchases

Shares repurchased and subsequently cancelled – share capital is reduced by the nominal value of the shares repurchased and capital redemption reserve is correspondingly increased in accordance with section 733 of the Companies Act 2006. The full cost of the repurchase is charged to the capital reserve.

Shares repurchased and held in treasury – the full cost of the repurchase is charged to the capital reserve.

(n) Bank borrowings

Bank overdrafts are recorded as the proceeds received. Finance charges are accounted for on an accruals basis in the Income Statement using the effective interest rate method and are added to the carrying amount of the instruments to the extent that they are not settled in the period in which they arise.

3. Income

	2019 US$'000	2018 US$'000
Investment income:		
Overseas dividends	7,446	6,640
Overseas REIT distributions	278	154
Overseas special dividends	1,270	787
UK dividends	197	220
Fixed interest income	40	216
	9,231	8,017
Other income:		
Deposit interest	2	1
Total	9,233	8,018

Dividends and interest received in cash during the period amounted to US$9,442,000 and US$49,000 (2018: US$7,827,000 and US$209,000).

Special dividends of US$nil have been recognised in capital in 2019 (2018: US$234,000).

Notes to the financial statements continued

4. Investment management fees

			2019			2018
	Revenue	Capital	Total	Revenue	Capital	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Investment management fees	548	1,646	2,194	523	1,568	2,091

Under the terms of the investment management agreement, BFM is entitled to a fee of 0.80% per annum based on the Company's Net Asset Value (NAV). The fee is levied quarterly.

The fee is allocated 25% to the revenue column and 75% to the capital column of the Income Statement.

5. Other operating expenses

	2019	2018
	US$'000	US$'000
Allocated to revenue:		
Custody fee	61	59
Depositary fees[1]	26	31
Auditors' remuneration	40	40
Registrar's fees	36	34
Directors' emoluments[2]	271	254
Marketing fees	117	112
Postage and printing fees	47	34
AIC fees	22	20
Broker fees	59	65
Employer NI contributions	32	21
FCA fee	11	11
Director search fees	29	–
Other administration costs	88	7
	839	688
Allocated to capital:		
Custody transaction charges	48	56
	887	744
The Company's ongoing charges[3], calculated as a percentage of average net assets and using recurring expenses, excluding finance costs, direct transaction costs, custody transaction charges and taxation were:	1.13%	1.03%

1 All expenses other than depositary fees are paid in sterling and are therefore subject to exchange rate fluctuations.
2 Further information on Directors' emoluments can be found in the Directors' Remuneration Report on pages 54 to 58.
3 Alternative Performance Measure, see Glossary on pages 113 to 116.

Expenses of US$48,000 (2018: US$56,000) charged to the capital column of the Income Statement relate to transaction costs charged by the custodian on the purchase and sale of investments.

6. Finance costs

			2019			2018
	Revenue	Capital	Total	Revenue	Capital	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Interest on bank overdraft	198	595	793	167	503	670

Finance costs for the Company are charged 25% to the revenue column and 75% to the capital column of the Income Statement.

7. Taxation

(a) Analysis of charge in year

			2019			2018
	Revenue	Capital	Total	Revenue	Capital	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Current taxation						
Corporation tax	345	(345)	–	563	(563)	–
Double taxation relief	(345)	345	–	(563)	563	–
Exchange (gain)/loss not taxable	(5)	–	(5)	9	–	9
	(5)	–	(5)	9	–	9
Overseas tax	547	–	547	684	–	684
Total tax charge (note 7b)	542	–	542	693	–	693

7. Taxation continued

(b) Factors affecting total tax charge for the year

The taxation assessed for the year is lower (2018: higher) than the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%). The differences are explained below:

	Revenue 2019 US$'000	Capital 2019 US$'000	Total 2019 US$'000	Revenue 2018 US$'000	Capital 2018 US$'000	Total 2018 US$'000
Net profit/(loss) on ordinary activities before taxation	7,648	38,390	46,038	6,640	(20,824)	(14,184)
Net profit/(loss) on ordinary activities multiplied by standard rate of 19.00% (2018: 19.00%)	1,453	7,294	8,747	1,262	(3,957)	(2,695)
Effects of:						
Capital (gains)/losses not taxable	–	(7,753)	(7,753)	–	3,572	3,572
Exchange (gain)/loss not taxable	(5)	24	19	9	(20)	(11)
Relief for overseas tax	(345)	345	–	(563)	436	(127)
Income not subject to corporation tax	(1,108)	–	(1,108)	(699)	–	(699)
Overseas tax suffered	547	–	547	684	–	684
Movement in management expenses not utilised/recognised	–	–	–	–	(52)	(52)
Non-trade loan relationship deficit not utilised/recognised	–	81	81	–	10	10
Disallowed expenses	–	9	9	–	11	11
Total tax charge (note 7(a))	542	–	542	693	–	693

(c) Capital gains tax liability

	Revenue 2019 US$'000	Capital 2019 US$'000	Total 2019 US$'000	Revenue 2018 US$'000	Capital 2018 US$'000	Total 2018 US$'000
Non current tax liability						
Balance brought forward	–	238	238	–	238	238
Charge/(credit) for the year	–	–	–	–	–	–
Balance carried forward	–	238	238	–	238	238

	Revenue 2019 US$'000	Capital 2019 US$'000	Total 2019 US$'000	Revenue 2018 US$'000	Capital 2018 US$'000	Total 2018 US$'000
Provision consists of:						
Capital gains tax on realised gains from Peruvian securities	–	238	238	–	238	238
	–	238	238	–	238	238

At 31 December 2019 the Company had net surplus management expenses of US$nil (2018: US$nil) and a non-trade loan relationship deficit of US$728,000 (2018: US$305,000). A deferred tax asset has not been recognised in respect of these losses because the Company is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period. Accordingly, it is unlikely that the Company will be able to reduce future tax liabilities through the use of existing surplus management expenses or loan relationship deficits. The estimated value of this unrecognised deferred tax asset at 31 December 2019 is US$124,000 (2018: US$52,000).

8. Dividends

			2019	2018
Dividends paid on equity shares	Record date	Payment date	US$'000	US$'000
2017 Final dividend of 7.00 cents	27 April 2018	06 June 2018	–	2,756
Quarter to 31 December 2018 – dividend of 8.13 cents	11 January 2019	08 February 2019	3,192	–
Quarter to 31 March 2019 – dividend of 8.56 cents	12 April 2019	17 May 2019	3,361	–
Quarter to 30 June 2019 – dividend of 9.15 cents	12 July 2019	16 August 2019	3,592	2,972
Quarter to 30 September 2019 – dividend of 8.03 cents	11 October 2019	08 November 2019	3,152	3,081
			13,297	8,809

On 30 May 2018, shareholders approved a resolution to amend the Company's dividend policy to pay regular quarterly dividends equivalent to 1.25% of the Company's US Dollar NAV on the last working day of March, June, September and December each year, with the dividends being paid in May, August, November and February each year, respectively. Therefore for the year ending 31 December 2019, the quarterly dividends were calculated based on the Company's cum-income US Dollar NAV at the last working day of the quarter.

The Company's cum-income US Dollar NAV at 31 December 2019 as issued to the market was 732.30 US cents per share, and the Directors have declared a fourth quarterly interim dividend of 9.15 cents per share. The dividend was paid on 6 February 2020 to holders of ordinary shares on the register at the close of business on 10 January 2020.

The total dividends payable in respect of the year which form the basis of determining retained income for the purpose of section 1158 of the Corporation Tax Act 2010 and section 833 of the Companies Act 2006, and the amount proposed for the year ended 31 December 2019, meet the relevant requirements as set out in this legislation.

	2019	2018
Dividends paid or proposed on equity shares:	US$'000	US$'000
Quarter to 31 March 2019 – 8.56 cents (2018: n/a)	3,361	–
Quarter to 30 June 2019 – 9.15 cents (2018: 7.57)	3,592	2,972
Quarter to 30 September 2019 – 8.03 cents (2018: 7.85)	3,152	3,081
Quarter to 31 December 2019 – 9.15 cents* (2018: 8.13)	3,592	3,192
	13,697	9,245

* Based upon 39,259,620 ordinary shares in issue at 10 January 2020.

All dividends paid or payable are distributed from the Company's distributable reserves.

Notes to the financial statements continued

9. Earnings and net asset value per ordinary share

Revenue, capital earnings and net asset value per ordinary share are shown below and have been calculated using the following:

	2019	2018
Net revenue profit attributable to ordinary shareholders (US$'000)	7,106	5,947
Net capital profit/(loss) attributable to ordinary shareholders (US$'000)	38,390	(20,824)
Total profit/(loss) attributable to ordinary shareholders (US$'000)	45,496	(14,877)
Total shareholders' funds (US$'000)	287,444	255,245
Earnings per share		
The weighted average number of ordinary shares in issue during the year on which the earnings per ordinary share was calculated was:	39,259,620	39,302,016
The actual number of ordinary shares in issue at the year end on which the net asset value was calculated was:	39,259,620	39,259,620
The number of ordinary shares in issue, including treasury shares at the year end was:	41,441,282	41,441,282
Calculated on weighted average number of ordinary shares:		
Revenue profit (US$ cents)	18.10	15.13
Capital profit/(loss) (US$ cents)	97.78	(52.98)
Total profit/(loss) (US$ cents)	115.88	(37.85)

	As at 31 December 2019	As at 31 December 2018
Net asset value per ordinary share (US$ cents)	732.15	650.15
Ordinary share price (US$ cents)[1]	643.17	557.20

There are no dilutive securities at the year end.

[1] Based on an exchange rate of $1.3248 to £1 at 31 December 2019 and $1.2736 to £1 at 31 December 2018.

10. Investments held at fair value through profit or loss

	2019 US$'000	2018 US$'000
Overseas listed equity investments	300,226	277,783
Overseas unlisted fixed income investments	345	341
Valuation of investments at 31 December	300,571	278,124
Opening book cost of equity and fixed income investments	243,947	247,247
Investment holding gains	34,177	56,381
Opening fair value	278,124	303,628
Analysis of transactions made during the year:		
Purchases at cost	241,533	124,415
Sales proceeds received	(259,893)	(131,119)
Gains/(losses) on investments	40,807	(18,800)
Closing fair value	300,571	278,124
Closing book cost of equity and fixed income investments	253,368	243,947
Closing investment holding gains	47,203	34,177
Closing fair value	300,571	278,124

The Company received US$259,893,000 (2018: US$131,119,000) from investments sold in the year. The book cost of these investments when they were purchased was US$232,112,000 (2018: US$127,715,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of investments.

The revised SORP issued in October 2019 is applicable for accounting periods beginning on or after 1 January 2019. As a result, the gain on disposals of investments of US$27,781,000 (2018: gain of US$3,404,000) and gain on revaluation of investments of US$13,026,000 (2018: loss of US$22,204,000) have now been combined in the note above. The result of this change has no impact on the net asset value or total return for both the current year and prior year. No other accounting policies or disclosures have changed as a result of the revised SORP.

Transaction costs of US$313,000 were incurred on the acquisition of investments (2018: US$161,000). Costs relating to the disposal of investments during the year amounted to US$346,000 (2018: US$141,000). All transaction costs have been included within capital reserves.

11. Debtors

	2019 US$'000	2018 US$'000
Sales for future settlement	5,409	1,871
Prepayments and accrued income	1,766	1,809
	7,175	3,680

Notes to the financial statements continued

12. Creditors – amounts falling due within one year

	2019	2018
	US$'000	US$'000
Other payables	1,735	841
	1,735	841

13. Creditors – amounts falling due after more than one year

	2019	2018
	US$'000	US$'000
Non current tax liability	238	238
Non-equity redeemable shares	24	24
	262	262

The redeemable shares of £1 each carry the right to receive a fixed dividend at the rate of 0.1% per annum on the nominal amount thereof. They are capable of being redeemed by the Company at any time and confer no rights to receive notice of, attend or vote at general meetings except where the rights of holders are to be varied or abrogated. On a winding up, the capital paid up on such shares ranks pari passu with, and in proportion to, any amounts of capital paid to the holders of ordinary shares, but does not confer any further right to participate in the surplus assets of the Company.

14. Called up share capital

	Ordinary shares	Treasury shares	Total shares	Nominal value
	number	number		US$'000
Allotted, called up and fully paid share capital comprised: **Ordinary shares of 10 cents each**				
At 31 December 2018	39,259,620	2,181,662	41,441,282	4,144
Shares purchased into treasury	–	–	–	–
At 31 December 2019	39,259,620	2,181,662	41,441,282	4,144

During the period to 31 December 2019, no ordinary shares were purchased and transferred to treasury (2018: 110,000 ordinary shares were repurchased during the year at a total cost of US$659,000).

The ordinary shares give shareholders voting rights, the entitlement to all of the capital growth in the Company's assets, and to all income from the Company that is resolved to be distributed.

15. Reserves

	Share premium account	Capital redemption reserve	Non-distributable reserve	Distributable Reserves: Capital reserves arising on investments sold	Distributable Reserves: Capital reserves arising on revaluation of investments held	Distributable Reserves: Revenue reserve
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
At 31 December 2018	11,719	4,843	4,356	182,859	34,204	13,120
Movement during the year:						
Total Comprehensive Income:						
Net profit for the year	–	–	–	25,675	12,715	7,106
Dividends paid during the year from revenue	–	–	–	–	–	(13,297)
At 31 December 2019	11,719	4,843	4,356	208,534	46,919	6,929

The share premium account and capital redemption reserve are not distributable profits under the Companies Act 2006. In accordance with the Company's articles, net capital reserves may be distributed by way of the repurchase by the Company of its ordinary shares and for payment as dividends. In accordance with the Company's status as an investment company under the provisions of section 1158 of the Corporation Tax Act 2010, net capital returns may be distributed by way of dividend.

16. Risk management policies and procedures

The Company's investment activities expose it to various types of risks 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 shareholders should refer to the Alternative Investment Fund Managers' Directive FUND 3.2.2R Disclosures which can be found at blackrock.co.uk/brla for a more detailed discussion of the risks inherent in investing in the Company.

Risk management framework

The following information refers to the risk management framework of the Alternative Investment Fund Manager (AIFM), however, as disclosed in the Corporate Governance Statement on pages 59 to 64 and in the Statement of Director's Responsibilities on page 69, it is the ultimate responsibility of the Board to ensure that the Company's risks are appropriately monitored, and to the extent that elements of this are delegated to third party service providers, the Board is responsible for ensuring that the relevant parties are discharging their duties in accordance with the terms of relevant agreements and taking appropriate action to the extent issues are identified.

The Directors of the AIFM review quarterly investment performance reports and receive semi-annual presentations in person from the Investment Manager covering the Company's performance and risk profile during the year. The AIFM 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 Company is managed within the terms of its investment guidelines and limits set out in the Alternative Investment Fund Managers' Directive FUND 3.2.2R Disclosures which can be found at blackrock.co.uk/brla.

16. Risk management policies and procedures continued

The AIFM is responsible for monitoring the investment performance, product risk monitoring and oversight and has the responsibility for the monitoring and oversight of regulatory and operational risk for the Company. The Directors of the AIFM have 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 Risk and Quantitative Analysis Group (RQA) which is a centralised group which performs an independent risk management function. RQA independently identifies, measures and monitors investment risk and tracks the actual risk management practices being deployed across the Company. By breaking down the components of the process, RQA have the ability to determine if the appropriate risk management processes are in place. 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 AIFM reports to the Audit Committee twice yearly on key risk metrics and risk management processes; in addition, the Depositary monitors the performance of the AIFM and reports to the Audit Committee. Any significant issues are reported to the Board as they arise.

Risk Exposures

The risk exposures of the Company are set out as follows:

(a) Market risk

Market risk arises mainly from uncertainty about future values of financial instruments influenced by other price, currency and interest rate movements. It represents the potential loss the Company may suffer through holding market positions in financial instruments in the face of market movements.

Value at 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 (including other price risk, foreign currency risk and interest rate risk), unlike a traditional sensitivity analysis.

The VaR calculations are based on a confidence level of 99% with a holding period of not greater than 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 Company will lose less than this number in percentage terms. Therefore, higher VaR numbers indicate higher risk. It is noted that the use of VaR methodology has limitations, namely assumptions that risk factor returns are normally distributed and 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 percentage amounts. These limitations and the nature of the VaR measure mean that the Company 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 of 31 December 2019 and 31 December 2018 (based on a 99% confidence level) was 3.23% and 4.27%, respectively.

(i) Market risk arising from other price risk

Exposure to other price risk

Other price risk is the risk that the fair value of 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 issues, recessions, or other events could have a significant impact on the Company and market prices of its investments.

The Company is exposed to market price risk arising from its equity and fixed interest investments. The movements in the prices of these investments result in movements in the performance of the Company. Other price risk sensitivity has been covered by VaR analysis under the market risk section above.

The Company's exposure to other changes in market prices at 31 December 2019 on its equity and fixed interest investments was US$300,571,000 (2018: US$278,124,000).

Management of other price risk

By diversifying the portfolio, where this is appropriate and consistent with the Company's objectives, the risk that a price change of a particular investment will have a material impact on the NAV of the Company is reduced which is in line with the investment objectives of the Company.

(ii) 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. Foreign currency sensitivity risk has been covered by the VaR analysis under the market risk section.

The fair values of the Company's monetary items which have foreign currency exposure at 31 December 2019 and 31 December 2018 are shown below. Where the Company's equity and fixed income investments which are not monetary items are denominated in a foreign currency, they have been included separately in the analysis so as to show the overall level of exposure.

				2019				2018
	Brazilian Real	Mexican Peso	Sterling	Chilean Peso	Brazilian Real	Mexican Peso	Sterling	Chilean Peso
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Debtors (due from brokers, prepayments and accrued income)	3,350	207	32	–	598	–	181	–
Creditors (due to brokers and other payables)	(137)	(23)	(542)	–	–	–	(319)	–
Cash and cash equivalents	171	–	134	–	7	–	130	–
Total foreign currency exposure on net monetary items	**3,384**	**184**	**(376)**	**-**	**605**	**-**	**(8)**	**-**
Investments at fair value through profit or loss that are equities and fixed income	100,920	33,220	–	2,489	95,974	29,273	4,638	4,184
Total net foreign currency exposure	**104,304**	**33,404**	**(376)**	**2,489**	**96,579**	**29,273**	**4,630**	**4,184**

Management of foreign currency risk

The Investment Manager monitors the Company's exposure to foreign currencies on a daily basis and reports to the Board of the Company on a regular basis.

The Investment Manager measures the risk to the Company of the foreign currency exposure by considering the effect on the Company's net asset value and income of a movement in the exchange rate to which the Company's assets, liabilities, income and expenses are exposed.

Foreign currency borrowing facilities are available in the form of a multi-currency overdraft facility to limit the Company's exposure to anticipated future changes in exchange rates which might otherwise adversely affect the value of the portfolio of investments.

The Company does not use financial instruments to mitigate the currency exposure in the period between the time that income is included in the financial statements and its receipt. Derivative contracts are not used to hedge against exposure to foreign currency risk.

Consequently, the Company is exposed to risks that the exchange rate of its reporting currencies relative to other currencies may change in a manner which has an adverse effect on the value of the portfolio of the Company's assets which are denominated in currencies other than their own currencies.

16. Risk management policies and procedures continued

(iii) Market risk arising from interest rate risk

Exposure to interest rate risk

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

The Company is exposed to interest rate risk specifically through its cash holdings, fixed interest investments and its borrowing facilities for investment purposes. Interest rate movements may affect the level of income receivable from any cash at bank and on deposits and the level of interest payable on variable rate borrowings. The effect of interest rate changes on the earnings of the companies held within the portfolio may have a significant impact on the valuation of the Company's investments. Interest rate sensitivity risk has been covered by the VaR analysis under the market risk section.

The exposure at 31 December 2019 and 31 December 2018 of financial assets and liabilities to interest rate risk is shown by reference to:

- floating interest rates – when the interest rate is due to be re-set; and
- fixed interest rates – when the financial instrument is due for repayment.

			2019			2018
	Within one year	More than one year	Total	Within one year	More than one year	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Exposure to fixed interest rates:						
– Fixed interest investments	–	345	345	–	341	341
Exposure to floating interest rates:						
– Cash and cash equivalents	305	–	305	137	–	137
– Bank overdraft	(18,610)	–	(18,610)	(25,593)	–	(25,593)
Total exposure to interest rates	(18,305)	345	(17,960)	(25,456)	341	(25,115)

Management of interest rate risk

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions and borrowings under the multi-currency overdraft facility.

The Company finances part of its activities through borrowings at levels approved and monitored by the Board of the Company. The Company, generally, does not hold significant cash balances, with short term borrowings being used when required. Derivative contracts are not used to hedge against the exposure to interest rate risk.

Interest received on cash balances, or paid on the bank overdraft respectively, is approximately 0.00% and 3.09% per annum (2018: 0.00% and 2.80% per annum).

(b) Counterparty credit risk

Counterparty credit risk is the risk that the issuer of a financial instrument will fail to fulfil an obligation or commitment that it has entered into with the Company.

There were no past due or impaired assets as of 31 December 2019 (31 December 2018: nil).

The major counterparties engaged with the Company are all widely recognised and regulated entities.

Depositary

The Company's Depositary is The Bank of New York Mellon (International) Limited (BNYM or the Depositary) (S&P long term credit rating as at 31 December 2019: AA- (2018: A). All of the equity, fixed interest assets and cash of the Company are held within the custodial network of the Depositary. Bankruptcy or insolvency of the Depositary may cause the Company's rights with respect to its investments held by the Depositary to be delayed or limited. The maximum exposure to this risk at 31 December 2019 is the total value of equity and fixed interest investments held with the Depositary and cash and cash equivalents in the Balance Sheet.

In accordance with the requirements of the depositary agreement, the Depositary is required to ensure that any agents it appoints to assist in safekeeping the assets of the Company will segregate the assets of the Company. Thus in the event of insolvency or bankruptcy of the Depositary, the Company's non-cash assets are segregated and this reduces counterparty credit risk. The Company will, however, be exposed to the counterparty credit risk of the Depositary in relation to the Company's cash held by the Depositary. In the event of the insolvency or bankruptcy of the Depositary, the Company will be treated as a general creditor of the Depositary in relation to cash holdings of the Company.

Counterparties/Brokers

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

Counterparty credit risk also arises on transactions with a broker in relation 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. The Company monitors the credit rating and financial position of the broker used to further mitigate this risk.

Cash held as security by the counterparty to financial derivative contracts is subject to the credit risk of the counterparty. During the period there were no open derivative positions and therefore no cash held as security.

The following table details the total number of counterparties to which the Company is exposed, the maximum exposure to any one counterparty, the collateral held by the Company against this exposure, the total exposure to all other counterparties and the lowest long term credit rating of any one counterparty (or its ultimate parent if unrated).

	Total number of counterparties	Maximum exposure to any one counterparty[1]	Collateral held[1]	Total exposure to all other counterparties[1]	Lowest credit rating of any one counterparty[2]
		US$'000	US$'000	US$'000	
31 December 2019	5	1,994	–	3,720	BB-
31 December 2018	2	1,871	–	137	BB-

[1] Calculated on a net exposure basis.
[2] Standard & Poor's ratings.

Debtors

Amounts due from debtors are disclosed in the Balance Sheet as debtors.

The counterparties included in debtors are the same counterparties discussed previously under counterparty credit risk and subject to the same scrutiny by the BlackRock RQA Counterparty and Concentration Risk (RQA CCR) team. The Company monitors the ageing of debtors to mitigate the risk of debtor balances becoming overdue.

In summary, the exposure to credit risk at 31 December 2019 and 31 December 2018 was as follows:

	2019	2018
	US$'000	US$'000
Debtors (amounts due from brokers, prepayments and accrued income)	7,175	3,680
Cash and cash equivalents	305	137
	7,480	3,817

Notes to the financial statements continued

16. Risk management policies and procedures continued

Management of counterparty credit risk

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

The counterparty credit risk is managed as follows:

- transactions are only entered into with those counterparties approved by RQA CCR, with a formal review carried out for each new counterparty and with counterparties selected by RQA CCR on the basis of a number of risk migration criteria designed to reduce the risk to the Company of default;
- the creditworthiness of financial institutions with whom cash is held is reviewed regularly by the RQA CCR team;
- all transactions in quoted securities are settled on a payment against delivery basis using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has made payment. Payment is made on purchase once the securities have been delivered by the broker. The trade will fail if either party fails to meets its obligation. The RQA CCR team review the credit standard of the Company's brokers on a periodic basis, and set limits on the amount that may be due from any one broker.

The Board monitors the Company's counterparty risk by reviewing:

- the semi-annual report from the Depositary, which includes the results of periodic site visits to the Company's custodian where controls are reviewed and tested;
- the Custodian's Service Organisation Control (SOC 1) reports which include a report by the custodian's auditor. This report sets out any exceptions or issues noted as a result of the auditor's review of the custodian's control processes;
- the Manager's internal control report which includes a report by the Manager's auditor. This report sets out any exceptions or issues noted as a result of the auditor's review of the Manager's control processes; and
- in addition, the Depositary and the Manager report any significant breaches or issues arising to the Board as soon as these are identified.

(c) Liquidity risk

This is the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. At the year end, the Company has an uncommitted multi-currency overdraft facility for up to US$40 million from BNYM which it utilises for short term liquidity purposes and to finance the acquisition of investments. As at 31 December 2019 $18.6 million of this overdraft had been utilised (2018: $25.6 million). Interest is payable at a rate per annum equal to LIBOR plus 1.0%.

Liquidity risk exposure

The undiscounted gross cash outflows of the financial liabilities as at 31 December 2019 and 31 December 2018, based on the earliest date on which payment can be required, were as follows:

	2019		2018	
	3 months or less	More than 1 year	3 months or less	More than 1 year
	US$'000	US$'000	US$'000	US$'000
Current liabilities:				
Bank overdraft	(18,610)	–	(25,593)	–
Other creditors	(1,735)	–	(841)	–
Non current tax liability	–	(238)	–	(238)
	(20,345)	(238)	(26,434)	(238)

Management of liquidity risk
Liquidity risk is minimised by holding sufficient liquid investments which can be readily realised to meet liquidity demands. Asset disposals may also be required to meet liquidity needs. Liquidity risk is not significant as the majority of the Company's assets are investments in listed securities that are readily realisable.

The Company'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 their obligations.

For the avoidance of doubt, none of the assets of the Company are subject to special liquidity arrangements.

(d) Valuation of financial instruments
Financial assets and financial liabilities are either carried in the Balance Sheet at their fair value (investments) or at an amount which is a reasonable approximation of fair value (due from brokers, dividends and interest receivable, due to brokers, accruals, cash at bank and bank overdrafts). Section 34 of FRS 102 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The valuation techniques used by the Company are explained in the accounting policies note to the Financial Statements on page 84.

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset.

The fair value hierarchy has the following levels:

Level 1 – Quoted market price 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 from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. These include exchange traded derivatives. The Company does not adjust the quoted price for these instruments.

Level 2 – Valuation techniques using observable inputs
This category includes instruments valued using quoted prices for similar instruments in markets that are considered less active, or other valuation techniques where significant inputs are directly or indirectly observable from market data.

Valuation techniques used for non-standardised financial instruments such as over-the-counter 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 specific inputs.

Level 3 – Valuation techniques using significant unobservable inputs
This category includes all instruments where the valuation technique includes 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 Investment Manager considers observable data 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 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. 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.

Notes to the financial statements continued

16. Risk management policies and procedures continued

Fair values of financial assets and financial liabilities

The table below is an analysis of the Company's financial instruments measured at fair value at the balance sheet date.

Financial assets at fair value through profit or loss as at 31 December 2019	Level 1	Level 2	Level 3	Total
	US$'000	US$'000	US$'000	US$'000
Equity investments	300,226	–	–	300,226
Fixed interest investments	–	345	–	345
Total	300,226	345	–	300,571

Financial assets at fair value through profit or loss as at 31 December 2018	Level 1	Level 2	Level 3	Total
	US$'000	US$'000	US$'000	US$'000
Equity investments	277,783	–	–	277,783
Fixed interest investments	–	341	–	341
Total	277,783	341	–	278,124

A reconciliation of fair value measurement in Level 3 is set out below.

Level 3 Financial assets at fair value through profit or loss at 31 December 2019	2019	2018
	US$'000	US$'000
Opening fair value	–	1,339
Fixed interest converted to equity and transferred to Level 1	–	(1,471)
Total gains included in gains/(losses) on investments in the Income Statement:		
– assets disposed during the year	–	132
Closing balance	–	–

The Level 3 investments in the table above for 2018 relate to the Hypera Pharma 11.3% 15/10/18 convertible bond and Klabin 8% 08/01/19 convertible bond. During the year to 31 December 2018, the Klabin 8% 08/01/19 convertible bond was converted to equity and consequentially transferred to Level 1 and the Hypera Pharma bond matured. The Company held no Level 3 securities as at 31 December 2019 (2018: nil).

For exchange listed equity investments the quoted price is the bid price.

17. Capital management policies and procedures

The Company's capital management objectives are:

- to ensure it will be able to continue as a going concern; and
- to secure long term capital growth and an attractive total return primarily through investing in quoted securities in Latin America.

Gearing will be selectively employed with the aim of enhancing returns. The Board view that 105% of the net asset value is the neutral level of gearing over the longer term and that gearing should be used actively in an approximate range of plus or minus 10% around this as measured at the time that gearing is instigated. These current parameters sit within the Company's gearing policy as set out in the investment policy on pages 9 and 10 which states that net borrowings are not expected to exceed 25% of net assets under normal circumstances, and the Company's articles of association which limit net borrowings to 100% of capital and reserves.

The Company's total capital as at 31 December 2019 was US$287,444,000 (2018: US$255,245,000) comprised of equity, capital and reserves.

The Board with the assistance of the Investment Manager monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

- the planned level of gearing, which takes into account the Investment Manager's view on the market; and
- the need to buy back equity shares, either for cancellation or to be held in treasury, which takes account of the difference between the NAV per share and the share price (i.e. the level of share price discount or premium).

The Company is subject to externally imposed capital requirements:

- as a public company, the Company has a minimum share capital of £50,000; and
- in order to be able to pay dividends out of profits available for distribution, the Company has to be able to meet one of the two capital restrictions tests imposed on investment companies by law.

During the year, the Company complied with the externally imposed capital requirements to which it was subject.

18. Transactions with the Investment Manager and AIFM

BlackRock Fund Managers Limited (BFM) provides management and administration services to the Company under a contract which is terminable on six months' notice. BFM has (with the Company's consent) delegated certain portfolio and risk management services, and other ancillary services, to BlackRock Investment Management (UK) Limited (BIM (UK)). Further details of the investment management contract are disclosed in the Directors' Report on pages 46 and 47.

The investment management fee is levied quarterly, based on 0.80% per annum of the Company's net asset value.

The investment management fee due for the year ended 31 December 2019 amounted to US$2,194,000 (2018: US$2,091,000), as disclosed in note 4 to the Financial Statements on page 86. At the year end, an amount of US$1,161,000 was outstanding in respect of these fees (2018: US$520,000).

In addition to the above services BlackRock has provided the Company with marketing services. The total fees paid or payable for these services for the year ended 31 December 2019 amounted to US$117,000 excluding VAT (2018: US$112,000). Marketing fees of US$117,000 (2018: US$114,000) were outstanding at 31 December 2019.

As at 31 December 2019, an amount of US$250,000 (2018: US$56,000) was payable to the Manager in respect of Directors' fees.

19. Related party disclosure

Disclosures of the Directors' interests in the ordinary shares of the Company and fees and expenses payable to the Directors are set out in the Directors' Remuneration Report on pages 54 to 58. At 31 December 2019, an amount of US$nil (2018: US$nil) was outstanding in respect of Directors' fees.

Significant holdings

The following investors are:

a. funds managed by the BlackRock Group or are affiliates of BlackRock Inc. ("Related BlackRock Funds") or

b. investors (other than those listed in (a) above) who held more than 20% of the voting shares in issue in the Company and are as a result, considered to be related parties to the Company ("Significant Investors").

As at 31 December 2019

Total % of shares held by Related BlackRock Funds	Total % of shares held by Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.	Number of Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.
1.5	29.4	1

As at 31 December 2018

Total % of shares held by Related BlackRock Funds	Total % of shares held by Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.	Number of Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.
1.5	29.9	1

20. Contingent liabilities

There were no contingent liabilities at 31 December 2019 (2018: US$nil).

21. Post balance sheet events

As noted in the Chairman's Statement and Investment Manager's Report, since 31 December 2019, equity markets have fallen significantly due primarily to concerns around the scale of the impact of COVID-19 on the global economy.

Subsequent to the year end, the net asset value per share of the Company has decreased by 51.4% (50.7% with dividends reinvested) from 732.15 cents per share to 356.13 cents per share and the Company's share price has decreased by 48.0% (47.3% with dividends reinvested) from 643.17 cents per share to 334.23 cents per share as at 2 April 2020. The Company's benchmark has decreased by 47.0% from 558.16 to 295.62 on a net return basis and has decreased by 47.4% from 2,917.73 to 1,535.18 on a price only basis (all calculated on a US Dollar basis).

This is primarily attributed to market movements and currency movements including the impact on the financial markets of the increasing fears over the spread of COVID-19. The Board and the Manager continue to monitor investment performance in line with the investment objectives. The Company has determined that these events are non-adjusting subsequent events.

On 1 April 2020, the Company declared an interim dividend of 4.59 cents per share in respect of the first quarter of the financial year ended 31 December 2020.

Additional information

Brazilian markets performed well in the year to 31 December 2019, up by 26.3% as a result of better than expected GDP growth in the fourth quarter, congressional approval of the much-awaited pension bill, and the central bank undertaking a project of foreign currency reform.

Shareholder information

Financial calendar

The timing of the announcement and publication of the Company's results may normally be expected in the months shown below:

March /April

Annual results announced.

March /April

Annual Report and Financial Statements published.

June

Annual General Meeting.

September

Half yearly figures to 30 June announced, and half yearly financial report published.

Dividend timetable

	Announcement date	Pay date
First quarterly dividend	April	May
Second quarterly dividend	July	August
Third quarterly dividend	October	November
Fourth quarterly dividend	January	February

Payment of dividends

Cash dividends will be sent by cheque to the first-named shareholder at their registered address. The Board has arranged for all shareholders to receive their dividends in Sterling unless they elect otherwise. Shareholders who wish to receive their dividends in US Dollars should complete and return the enclosed Currency Election Form. Dividends may also be paid direct into a shareholder's bank account via BACSTEL-IP (Bankers' Automated Clearing Service – Telecom Internet Protocol). This may be arranged by contacting the Company's registrar, Computershare Investor Services plc on 0370 707 1112 or by completing the Mandate Instructions section on the reverse of your dividend counterfoil and sending this to the Company's registrar, Computershare. Dividend confirmations will be sent to shareholders at their registered address, unless other instructions have been given, to arrive on the payment date.

Ordinary share price

The Company's mid-market ordinary share price is quoted daily in The Financial Times and The Times under "Investment Companies" and in The Daily Telegraph under "Investment Trusts". The share price is also available on the BlackRock website at blackrock.co.uk/brla.

ISIN/SEDOL numbers

The ISIN/SEDOL numbers and mnemonic codes for the Company's shares are:

	Ordinary shares
ISIN	GB0005058408
SEDOL	0505840
Reuters code	BRLA.L
Bloomberg code	BRLA:LN
Ticker	BRLA/LON

Share dealing

Investors wishing to purchase more shares in the Company or sell all or part of their existing holding may do so through a stockbroker. Most banks also offer this service. Alternatively, they can do so by creating a Trading Account at www.computershare.com/dealing/uk. To purchase this investment, you must have read the Key Information Document before the trade can be executed. Computershare can email or post this to you.

For existing shareholders not looking to purchase shares, the Company's registrar, Computershare, has an internet and telephone share dealing service. The telephone share dealing service is available on 0370 703 0084. To access the internet share dealing service, you will need to access www.computershare.com/dealing/uk using your shareholder reference number, which can be found on paper or electronic communications that you have previously received from Computershare.

Internet dealing – The fee for this service is 1% of the value of the transaction (subject to a minimum of £30). Stamp duty of 0.5% is payable on purchases.

Telephone dealing – The fee for this service will be 1% of the value of the transaction (plus £50). Stamp duty of 0.5% is payable on purchases.

CREST

The Company's shares may be held in CREST, an electronic system for uncertificated securities trading.

Private investors can continue to retain their share certificates and remain outside the CREST system. Private investors are able to buy and sell their holdings in the same way as they did prior to the introduction of CREST, although there may be differences in dealing charges.

Electronic communications

We encourage you to play your part in reducing our impact on the environment and elect to be notified by email when your shareholder communications become available online. This means you will receive timely, cost-effective and greener online annual reports, half yearly financial reports and other relevant documentation.

Shareholders who opt for this service will receive an email from Computershare with a link to the relevant section of the BlackRock website where the documents can be viewed and downloaded. Please submit your email address by visiting investorcentre.co.uk/ecomms. You will require your shareholder reference number which you will find on your share certificate or tax voucher.

You will continue to receive a printed copy of these reports if you have elected to do so. Alternatively, if you have not submitted your email address nor have elected to receive printed reports, we will write and let you know where you can view these reports online.

Electronic proxy voting

Shareholders are able to submit their proxy votes electronically via Computershare's internet site at eproxyappointment.com using a unique identification PIN which will be provided with voting instructions and the Notice of Annual General Meeting.

CREST members who wish to appoint one or more proxies or give an instruction through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST manual. More details are set out in the notes on the Form of Proxy and the Notice of Annual General Meeting.

Nominee code

Where shares are held in a nominee company name, the Company undertakes:

- to provide the nominee company with multiple copies of shareholder communications, so long as an indication of quantities has been provided in advance;
- to allow investors holding shares through a nominee company to attend general meetings, provided the correct authority from the nominee company is available.

Nominee companies are encouraged to provide the necessary authority to underlying shareholders to attend the Company's general meetings.

Publication of NAV/portfolio analysis

The NAV per share of the Company is calculated daily, with details of the Company's investments and performance being published monthly.

The daily NAV and monthly information are released through the London Stock Exchange's Regulatory News Service and are available on the BlackRock website at blackrock.co.uk/brla and through the Reuters News Service under the code "BLRKINDEX", on page 8800 on Topic 3 (ICV terminals) and under "BLRK" on Bloomberg (monthly information only).

Online access

Other details about the Company are also available on the BlackRock website at blackrock.co.uk/brla and shareholders can check details of their holdings on Computershare's website at investorcentre.co.uk.

The financial statements and other literature are published on the BlackRock website. Visitors to the website need to be aware that legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

Shareholders can also manage their shareholding online by using Investor Centre, Computershare's secure website, at investorcentre.co.uk.

To access Computershare's website you will need your shareholder reference number (SRN) which can be found on communications you have previously received from Computershare. Listed below are the most frequently used features of the website.

- Holding enquiry – view balances, values, history, payments and reinvestments.
- Payments enquiry – view your dividends and other payment types.
- Address change – change your registered address.
- Bank details update – choose to receive your dividend payment directly into your bank account instead of by cheque.
- Outstanding payments – reissue payments using the online replacement service.
- Downloadable forms – including dividend mandates, stock transfer, dividend reinvestment and change of address forms.

Dividend tax allowance

From April 2019 the annual tax-free allowance on dividend income across an individual's entire share portfolio is £2,000. Above this amount, individuals will pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company provides registered shareholders with a confirmation of the dividends paid and this should be included with any other dividend income received when calculating and reporting total dividend income received. It is the shareholder's responsibility to include all dividend income when calculating any tax liability.

If you have any tax queries please contact a financial adviser.

New Individual Savings Accounts (NISAs)

ISAs are a tax-efficient method of investment and the Company's shares are eligible investments for inclusion in an ISA. In the 2019/2020 tax year, investors will be able to invest up to £20,000 in New Individual Savings Accounts (NISAs) either as cash or shares.

Shareholder enquiries

The Company's registrar is Computershare Investor Services PLC. In the event of queries regarding your holding of shares, please contact the registrar on 0370 707 1112. Changes of name or address must be notified in writing to the registrar at:

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ

Certain details relating to your holding can also be checked through the Computershare investor centre website. As a security check, specific information needs to be input accurately to gain access to an individual's account. This includes your shareholder reference number, available from either your share certificate, Form of Proxy or dividend confirmation or other electronic communications previously received from Computershare.

The address of the Computershare website is investorcentre.co.uk. Alternatively, please contact 0370 707 1112.

General enquiries

Enquiries about the Company should be directed to:

The Company Secretary
BlackRock Latin American Investment Trust plc
12 Throgmorton Avenue
London EC2N 2DL
Telephone: 020 7743 3000
Email: cosec@blackrock.com

Analysis of ordinary shareholders

at 31 December 2019

By type of holder

	Number of shares 2019	% of total 2019	% of total 2018	Number of holders 2019	% of total 2019	% of total 2018
Direct private investors	765,211	2.0	2.1	422	53.4	52.4
Bank and Nominee companies	38,283,245	97.5	97.2	348	44.1	44.5
Other	211,164	0.5	0.7	20	2.5	3.1
	39,259,620	100.0	100.0	790	100.0	100.0

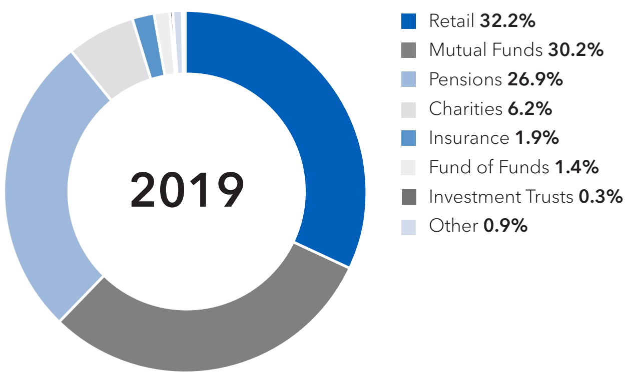
The above excludes Treasury Shares of 2,181,662

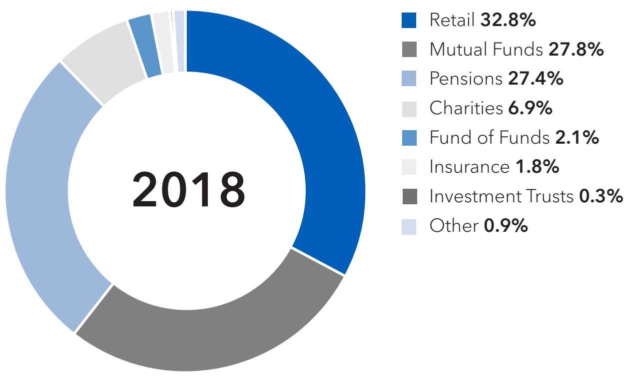
By size of holding

	Number of shares 2019	% of total 2019	% of total 2018	Number of holders 2019	% of total 2019	% of total 2018
1 – 1,000	161,584	0.4	0.4	348	44.1	43.1
1,001 – 5,000	547,943	1.4	1.6	243	30.8	31.6
5,001 – 10,000	414,681	1.1	1.2	59	7.5	7.3
10,001 – 100,000	3,551,074	9.0	11.1	99	12.5	13.7
100,001 – 500,000	6,513,533	16.6	15.2	28	3.5	2.8
500,001 – 1,000,000	3,435,768	8.8	10.8	5	0.6	0.7
Over 1,000,000	24,635,037	62.7	59.7	8	1.0	0.8
	39,259,620	100.0	100.0	790	100.0	100.0

The above excludes Treasury Shares of 2,181,662

By style of owner





Ten year record

Year ended 31 December	Net assets attributable to ordinary shareholders US$'000	Net asset value per ordinary share – debt at fair value cents	Ordinary share price cents[1]	Premium/ (discount) %	Revenue Return per ordinary share cents	Dividends per ordinary share cents	Effective gearing[2] %	Ongoing charges[3, 4] %
2010	524,501	1,196.4	1,200.1	0.3	28.62	24.00	11.8	1.2
2011	391,550	893.1	836.9	(6.3)	35.39	30.00	9.4	1.3
2012	399,713	964.7	861.5	(10.7)	26.50	30.00	8.8	1.2
2013	315,345	801.0[5]	719.3	(10.2)	24.83	30.00	2.0[5]	1.1
2014	276,423	702.1	624.5	(11.1)	31.46	30.00	(2.4)	1.2
2015	180,943	459.6	408.2	(11.2)	24.10	21.00	(3.1)	1.1
2016	221,730	563.2	486.5	(13.6)	17.89	15.00	2.1	1.2
2017	279,590	710.2	622.3	(12.4)	13.03	13.00	7.8	1.1
2018	255,245	650.2	557.2	(14.3)	15.13	23.55	9.8	1.0
2019	**287,444**	**732.2**	**643.2**	**(12.2)**	**18.10**	**34.89**	**6.2**	**1.1**

[1] Share price converted from sterling at the exchange rate prevailing on 31 December.
[2] Effective gearing is redeemable shares, loans, convertible bonds at par value (from 15 September 2009 to 16 October 2013), overdrafts less cash and fixed interest stocks as a percentage of net assets.
[3] Based on average net assets for the year. Effective from 2011, the ongoing charges ratio is calculated in accordance with the AIC recommended methodology.
[4] Alternative performance measure, see Glossary on 112 to 115.
[5] Convertible bonds were repaid, redeemed or converted in 2013.

Management & other service providers

Registered Office

(Registered in England, No. 2479975)
12 Throgmorton Avenue
London EC2N 2DL

Investment Manager and Secretary

BlackRock Investment Management (UK) Limited[1,2]
12 Throgmorton Avenue
London EC2N 2DL
Telephone: 020 7743 3000
Email: cosec@blackrock.com

Alternative Investment Fund Manager

BlackRock Fund Managers Limited[1]
12 Throgmorton Avenue
London EC2N 2DL
Telephone: 020 7743 3000

Depositary

The Bank of New York Mellon (International) Limited[1]
One Canada Square
London E14 5AL

Custodian and Banker

The Bank of New York Mellon (International) Limited[1]
One Canada Square
London E14 5AL

Registrar

Computershare Investor Services plc[1]
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ
Telephone: 0370 707 1112

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Stockbrokers

Cenkos Securities plc[1]
6-8 Tokenhouse Yard
London EC2R 7AS

Solicitors

Norton Rose Fulbright LLP
3 More London Riverside
London SE1 2AQ

1 Authorised and regulated by the Financial Conduct Authority.
2 BIM (UK) Limited has delegated certain of its responsibilities and functions, including its discretionary management of the Company's portfolio, to the US based equity income investments' team who are employed by BlackRock Investment Management LLC (BIM LLC), a limited liability company incorporated in Delaware which is regulated by the US Securities and Exchange Commission. The registered address of BIM LLC is 100 Bellevue Parkway, Wilmington, Delaware 19809, USA.

AIFMD disclosures

Report on remuneration

The Alternative Investment Fund Managers' Directive (the AIFMD), requires certain disclosures to be made with regard to the remuneration policy of the Company's AIFM.

Details of the BlackRock AIFM Remuneration Policy are disclosed on the Company's website at blackrock.co.uk/brla and became applicable to the Manager on 1 January 2015, being the beginning of the first financial year of BlackRock following the Manager's authorisation as an AIFM.

Quantitative remuneration disclosure

Disclosures in accordance with FUND 3.3.5, Article 22(2)e and 22(2)f of the AIFMD and Article 107 of the Delegated Regulation are disclosed on the website at blackrock.co.uk/brla.

Leverage

The Company may employ leverage and borrow cash in accordance with its stated investment policy or investment strategy. Consistent with its investment objectives and policy, the Company may utilise a variety of exchange traded and over-the-counter (OTC) derivative instruments such as options, futures and forward currency transactions as part of its investment policy.

The use of derivatives may expose the Company to a higher degree of risk. In particular, derivative contracts can be highly volatile, and the amount of initial margin is generally small relative to the size of the contract so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on derivatives than on standard underlying bonds or equities. Leveraged derivative positions can therefore increase the Company's volatility. The use of borrowings and leverage has attendant risks and can, in certain circumstances, substantially increase the adverse impact to which the Company's investment portfolio may be subject.

For the purposes of this disclosure, leverage is any method by which the Company's exposure is increased, whether through borrowing cash or securities, or leverage embedded in contracts for difference or by any other means. The AIFMD requires that each leverage ratio be expressed as the ratio between a Company's exposure and its NAV, and prescribes two required methodologies, the gross methodology and the commitment methodology (as set out in AIFMD Level 2 Implementation Guidance), for calculating such exposure.

Using the methodologies prescribed under the AIFMD, the leverage of the Company is disclosed in the table below:

	Commitment leverage as at 31 December 2019	Gross leverage as at 31 December 2019
Leverage ratio	1.10	1.05

Other risk disclosures

The financial risk disclosures relating to risk framework and liquidity risk are set out in note 16 to the notes to the financial statements on pages 93 to 100.

Pre investment disclosures

The AIFMD requires certain information to be made available to investors in AIFs before they invest and requires that material changes to this information be disclosed in the annual report of each AIF. An Investor Disclosure Document, which sets out information on the Company's investment strategy and policies, leverage, risk, liquidity, administration, management, fees, conflicts of interest and other shareholder information is available on the website at blackrock.co.uk/brla.

There have been no material changes (other than those reflected in these financial statements) to this information requiring disclosure. Any information requiring immediate disclosure pursuant to the AIFMD will be disclosed to the London Stock Exchange through a primary information provider.

SARAH BEYNSBERGER
For and on behalf of
BlackRock Investment Management (UK) Limited
Company Secretary
7 April 2020

Information to be disclosed in accordance with Listing Rule 9.8.4

The disclosures below are made in compliance with the requirements of Listing Rule 9.8.4.

9.8.4 (1) The Company has not capitalised any interest in the period under review.

9.8.4 (2) The Company has not published any unaudited financial information in a class 1 circular or prospectus or any profit forecast or profit estimate.

9.8.4 (3) This provision has been deleted.

9.8.4 (4) The Company does not have any long term incentive schemes in operation.

9.8.4 (5) and (6) No Director of the Company has waived or agreed to waive any current or future emoluments from the Company or any subsidiary undertaking.

9.8.4 (7), (8) and (9) The Company has not allotted any equity securities for cash in the period under review.

The Company is a stand-alone entity therefore Listing Rules 9.8.4 (8) and 9.8.4 (9) are not applicable.

9.8.4 (10) There were no contracts of significance subsisting during the period under review to which the Company is a party and in which a Director of the Company is or was materially interested; or between the Company and a controlling shareholder.

9.8.4 (11) This provision is not applicable to the Company.

9.8.4 (12) and (13) There were no arrangements under which a shareholder has waived or agreed to waive any dividends or future dividends.

9.8.4 (14) This provision is not applicable to the Company.

SARAH BEYNSBERGER
For and on behalf of
BlackRock Investment Management (UK) Limited
Company Secretary
7 April 2020

Letter from the outgoing auditor

pwc

The Directors
BlackRock Latin American Investment Trust Plc
12 Throgmorton Avenue
London
EC2N 2DL

7 April 2020

Dear Sirs,

Statement of Reasons connected with ceasing to hold office as Auditors

In accordance with Section 519 of the Companies Act 2006 (the "Act"), we set out below the reasons connected with PricewaterhouseCoopers LLP, registered auditor number 001004062, ceasing to hold office as auditors of BlackRock Latin American Investment Trust Plc, registered no: 02479975 (the "Company") effective from 29 June 2020.

The reason we are ceasing to hold office is that the Company undertook a competitive tender process for the position of statutory auditor and we mutually agreed with the Audit Committee not to participate due to the length of our tenure.

There are no reasons for and no other matters connected with our ceasing to hold office as auditors of the Company that we consider need to be brought to the attention of the Company's members or creditors.

Yours faithfully,

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP, Atria One, 144 Morrison Street, Edinburgh, EH3 8EX
T: +44 (0) 131 226 4488, F: +44 (0) 131 260 4008, www.pwc.co.uk

Glossary

Alternative performance measure (APM)

An APM is a measure of performance or financial position that is not defined in applicable accounting standards and cannot be directly derived from the financial statements. The Company's APMs are set out below and are cross-referenced where relevant to the financial inputs used to derive them as contained in other sections of the Annual Financial report.

Annualised total return

The annualised total return of the Company and the benchmark is their average return earned each year over a given time period, in this case over 24 months.

The cumulative NAV total return of the Company over two years based on a US dollar NAV of 732.15c at 31 December 2019 and 710.17c at 31 December 2017 was 11.83%. The annualised NAV total return over two years is 5.75%.

The cumulative total return of the benchmark based on a US dollar net return of 558.16 at 31 December 2019 and 508.61 at 31 December 2017 was 9.74%. The annualised benchmark total return over two years is 4.76%.

The Company's annualised outperformance of the benchmark was therefore 0.99%.

Benchmark

The Company's benchmark index, used for performance comparative purposes is the MSCI EM Latin America Index (Net Return) on a total return basis.

Benchmark outperformance/underperformance is measured by comparing the Company's net asset value (NAV) total return, with the performance of the benchmark index on a net total return basis.

As at 31 December 2019, the Company's NAV total return was 18.2% and the net total return of the benchmark index was 17.5%, therefore the Company's outperformance of the benchmark index was 0.7%.

Closed-end company

An investment trust works along the same lines as a unit trust, in that it pools money from investors which is then managed on a collective basis. The main difference is that an investment trust is a company listed on the Stock Exchange and, in most cases, trading takes place in shares which have already been issued, rather than through the creation or redemption of units. As the number of shares which can be issued or cancelled at any one time is limited, and requires the approval of existing shareholders, investment trusts are known as closed end funds or companies. This means that investment trusts are not subject to the same liquidity constraints as open ended funds and can therefore invest in less liquid investments.

Discount and premium*

Investment trust shares can frequently trade at a discount to NAV. This occurs when the share price (based on the mid-market share price) is less than the NAV and investors may therefore buy shares at less than the value attributable to them by reference to the underlying assets. The discount is the difference between the share price and the NAV, expressed as a percentage of the NAV (2018: 557.20c). As at 31 December 2019, the share price was 643.17c and the audited NAV per share was 732.15c (2018: 650.15c), therefore giving a discount of 12.2% (2018: 14.3%) (please see note 9 of the financial statements for the audited inputs to the calculations).

The average discount over two years, calculated using the Company's daily cum income NAV and share price was 13.3%.

A premium occurs when the share price (based on the mid-market share price) is more than the NAV and investors would therefore be paying more than the value attributable to the shares by reference to the underlying assets. For example, if the share price was 370p and the NAV 365p, the premium would be 1.4%.

Discounts and premiums are mainly the consequence of supply and demand for the shares on the stock market.

Gearing

The Company may from time-to-time utilise gearing. Gearing works by magnifying the company's performance. If a company 'gears up' and then markets rise and the returns on the investments outstrip the costs of borrowing, the overall returns to investors will be even greater. But if markets fall and the performance of the assets in the portfolio is poor, then losses suffered by the investor will also be magnified.

As at 31 December 2019 the Company's gearing was 104.5%, as calculated in accordance with AIC Guidelines which require gearing to be calculated as total assets of the Company less cash and cash equivalents held divided by total shareholders' funds. In accordance with AIC Guidance, total assets is calculated as total net assets of the company plus borrowings. Cash and cash equivalents are further defined by the AIC as net current assets or net current liabilities (as relevant).

Details of the calculation are set out in the table below and are cross referenced in the table to the pages where the inputs to the calculation can be located.

* Alternative Performance Measures.

Glossary continued

Net gearing calculation	Page	31 December 2019	31 December 2018	
		US$'000	US$'000	
Net assets	81	287,444	255,245	(a)
Borrowings	81	18,610	25,593	(b)
Total assets (a + b)		306,054	280,838	(c)
Current assets[1]	81	7,480	3,817	(d)
Current liabilities (excluding borrowings)	81	(1,735)	(841)	(e)
Cash and cash equivalents (d + e)		5,745	2,976	(f)
Net gearing figure (g = (c - f - a)/ a)		**104.5%**	**108.9%**	**(g)**

[1] Includes cash at bank.

The audited inputs for this calculation can be found in the Balance Sheet on page 81.

The Company's average gearing for the year, based on month end gearing figures calculated in accordance with AIC guidelines was 109.2%.

Leverage

Leverage is defined in the AIFM Directive as "any method by which the AIFM increases the exposure of an AIF it manages whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means".

Leverage is measured in terms of 'exposure' and is expressed as a ratio of net asset value:

$$\text{Leverage ratio} = \frac{\text{Total assets}}{\text{Net assets}}$$

The Directive sets out two methodologies for calculating exposure. These are the Gross Method and the Commitment Method. The treatment of cash and cash equivalent balances in terms of calculating what constitutes an "exposure" under AIFMD differs for these two methods. The definitions for calculating the Gross Method exposures require that "the value of any cash and cash equivalents which are highly liquid investments held in the base currency of the AIF, that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three-month high quality government bond" should be excluded from exposure calculations.

Net asset value per share (Cum income NAV)

This is the value of the Company's assets attributable to one ordinary share. It is calculated by dividing "total shareholders' funds" by the total number of ordinary shares in issue (excluding treasury shares). For example, as at 31 December 2019 equity shareholders' funds were worth US$287,444,000 and there were 39,259,620 ordinary shares in issue, the NAV was therefore 732.15 US$ cents per share (please see note 9 of the notes to the financial statements for the audited inputs to the calculations).

Equity shareholders' funds are calculated by deducting from the Company's total assets, its current and long term liabilities and any provision for liabilities and charges.

Net asset value per share (Capital only NAV)*

The capital only NAV is a popular point of reference when comparing a range of investment trusts. This NAV focuses on the value of the Company's assets disregarding the current period revenue income, on the basis that most trusts will distribute substantially all of their income in any financial period. It is also the measure adopted by the Association of Investment Companies for preparation of statistical data. It is calculated by dividing "total shareholders' funds" (excluding current period revenue) by the total number of ordinary shares in issue.

As at 31 December 2019, equity shareholders' funds less the current year revenue return (after interim dividends) amounted to US$290,443,000 and there were 39,259,620 ordinary shares in issue (excluding treasury shares); therefore the capital only NAV was 739.80 US$ cents per share.

Equity shareholders' funds (excluding current period revenue of US$290,443,000) are calculated by deducting from the Company's net assets (US$287,444,000) its current period revenue (US$7,106,000) and adding back the interim dividends paid from revenue (US$10,105,000).

Ongoing charges ratio*

$$\text{Ongoing charges (\%)} = \frac{\text{Annualised ongoing charges}}{\text{Average undiluted net asset value in the period}}$$

Ongoing charges are those expenses of a type which are likely to recur in the foreseeable future, whether charged to capital or revenue, and which relate to the operation of the investment company as a collective fund, excluding the costs of acquisition/disposal of investments, financing charges and gains/losses arising on investments (as set out in note 5 of the notes to the financial statements on page 86). Ongoing charges are based on costs incurred in the year as being the best estimate of future costs and include the annual management charge.

* Alternative Performance Measures.

As recommended by the AIC in its guidance, ongoing charges are the Company's annualised revenue and capital expenses (excluding finance costs, direct transaction costs, custody transaction charges and taxation) expressed as a percentage of the average monthly net assets of the Company during the year.

The inputs that have been used to calculate the ongoing charges percentage are set out in the following table:

Ongoing charges calculation	Page	31 December 2019	31 December 2018	
		US$'000	US$'000	
Management fee	79	2,194	2,091	
Other operating expenses	79	839	688	
Total management fee and other operating expenses		3,033	2,779	(a)
Average net assets in the year		269,204	269,363	(b)
Ongoing charges (c = a/b)		**1.13%**	**1.03%**	(c)

Quoted securities

Securities that trade on an exchange for which there is a publicly quoted price.

Revenue profit and revenue reserves

Revenue profit is the net revenue income earned after deduction of fees and expenses allocated to the revenue account and taxation suffered by the Company. Revenue reserves is the undistributed income that the Company keeps as reserves. Investment trusts do not have to distribute all the income they generate, after expenses. They may retain up to 15% of revenue generated which will be held in a revenue reserve. This reserve can be used at a later date to supplement dividend payments to shareholders.

Total return – NAV and share price*

This is the theoretical return on shareholders' funds per share, reflecting the change in value of the NAV per share assuming that dividends paid to shareholders were reinvested at the first opportunity. The measure is also known as 'total return' and this information enables investors to make performance comparisons between investment trusts with different dividend policies.
The dividend reinvestment calculation measures the combined effect of any dividends paid, together with the rise or fall in the share price or NAV. This is calculated by the movement in the share price or NAV plus the dividends paid by the Company assuming these are reinvested in the Company at the prevailing NAV/Share price. Details of the calculation are set out in the tables below and are cross referenced in the tables to the pages where the inputs to the calculation can be located.

NAV total return (US dollar)	Page	31 December 2019	31 December 2018	
Closing NAV per share (cents)	3	732.15	650.15	
Add back quarterly dividends (cents)	3	33.87	22.42	
Effect of dividend reinvestment (cents)		2.33	(0.58)	
Adjusted closing NAV (cents)		768.35	671.99	(a)
Opening NAV per share (cents)	3	650.15	710.17	(b)
NAV total return (c = ((a - b)/b)) (%)		**18.2**	**(5.4)**	(c)

Share price total return (US dollar)	Page	31 December 2019	31 December 2018	
Closing share price (cents)[1]	3	643.17	557.20	
Add back quarterly dividends (cents)	3	33.87	22.42	
Effect of dividend reinvestment (cents)		2.67	(0.31)	
Adjusted closing share price (cents)		679.71	579.31	(a)
Opening share price (cents)[1]	3	557.20	622.29	(b)
Share price total return (c = ((a - b)/b)) (%)		**22.0**	**(6.9)**	(c)

[1] Based on an exchange rate of \$1.3248 to £1 at 31 December 2019 and \$1.2736 to £1 at 31 December 2018.

* Alternative Performance Measures.

Glossary continued

Share price total return (GBP)	Page	31 December 2019	31 December 2018	
Closing share price (pence)	3	485.50	437.50	
Add back quarterly dividends (pence)	3	26.59	17.20	
Effect of dividend reinvestment (pence)		0.80	0.69	
Adjusted closing share price (pence)		512.89	455.39	(a)
Opening share price (pence)	3	437.50	460.00	(b)
Share price total return (c = ((a - b)/b)) (%)		**17.2**	**(1.0)**	**(c)**

Treasury shares

Treasury shares are shares that a company keeps in its own treasury which are not currently issued to the public. These shares do not pay dividends, have no voting rights and are not included in a company's total issued share capital amount for calculating percentage ownership. Treasury stock may have come from a repurchase or buy back from shareholders, or it may never have been issued to the public in the first place. Treasury shares may be reissued from treasury to the public to meet demand for a company's shares in certain circumstances.

Unquoted investments

Financial securities that do not trade on an exchange for which there is not a publicly quoted price.

Yield*

The yield is the amount of cash (in percentage terms) that is returned to the owners of the security, in the form of interest or dividends received from it. Normally, it does not include the price variations, distinguishing it from the total return.

	Page	31 December 2019	31 December 2018	
Quarterly dividends paid/payable (cents)	3	34.89	23.55	(a)
Ordinary share price (cents)		643.17	557.20	(b)
Yield (c = a/b) (%)		**5.4**	**4.2**	**(c)**

* Alternative Performance Measures.

Notice of annual general meeting

Notice is hereby given that the Annual General Meeting of BlackRock Latin American Investment Trust plc will be held at the offices of BlackRock, 12 Throgmorton Avenue, London EC2N 2DL on 29 June 2020 at 12.00 noon for the purpose of considering and, if thought fit, passing the following resolutions (which will be proposed in the case of resolutions 1 to 13, as ordinary resolutions and, in the case of resolutions 14, 15 and 16, as special resolutions).

Resolution 2 is an advisory vote on the Directors' Remuneration Report, excluding any content relating to the proposed remuneration policy as set out in the policy table on page 58. Resolution 3 is a resolution subject to a binding vote, as a result of the remuneration disclosure regulations published by the Department for Business, Innovation and Skills (now replaced by the Department for Business, Energy and Industrial Strategy) which were effective from 1 October 2013. As required under the regulations, the Company is seeking approval in this resolution for its remuneration policy as set out in the future policy table on page 58 of the Directors' Remuneration Report.

Ordinary business

1. To receive the report of the Directors and the financial statements for the year ended 31 December 2019, together with the report of the Auditors thereon.

2. To approve the Directors' Remuneration Report for the year ended 31 December 2019.

3. To approve the Directors' Remuneration Policy as set out in the future policy table in the Directors' Remuneration Report on pages 57 and 58.

4. To approve the Company's dividend policy to pay quarterly interim dividends equal to 1.25% of the Company's NAV at close of business on the last business day of March, June, September and December.

5. To re-elect Carolan Dobson as a Director.

6. To re-elect Craig Cleland as a Director.

7. To re-elect Mahrukh Doctor as a Director.

8. To re-elect Nigel Webber as a Director.

9. To elect Laurie Meister as a Director.

10. To appoint Ernst and Young LLP as Auditors of the Company until the conclusion of the next AGM of the Company.

11. To authorise the Audit Committee to determine the Auditors' remuneration.

Special business

Ordinary resolution

12. That the Company should continue in being as an investment company.

13. That, in substitution for all existing authorities, the Directors of the Company be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the Act), to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company (securities) provided that, unless renewed prior to that time, such authority shall be limited to the allotment of shares and grant of rights in respect of shares with an aggregate nominal amount of up to US$196,298.10, (representing 5% of the aggregate nominal amount of the issued share capital of the Company at the date of this notice, excluding any treasury shares), provided that this authority shall expire at the conclusion of the next AGM of the Company to be held in 2021 but so that the Company may, before such expiry, make any offer or agreement which would or might require securities to be allotted pursuant to any such offer or agreement as if the authority hereby conferred had not expired.

Special resolutions

14. That, in substitution for all existing authorities and subject to the passing of resolution 11, the Directors of the Company be and are hereby empowered pursuant to section 570 and 573 of the Companies Act 2006 (the Act) to allot and make offers of agreement to allot equity securities (as defined in section 560 of the Act), and to sell equity securities held by the Company as treasury shares (as defined in section 724 of the Act) for cash pursuant to the authority granted by resolution 11 above, as if section 561(1) of the Act did not apply to any such allotments and sales of equity securities, provided that this power:

    (a) shall expire at the conclusion of the next AGM of the Company to be held in 2021, except that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted or sold after such expiry and notwithstanding such expiry, the Directors may allot and sell securities in pursuance of such offers or agreements;

    (b) shall be limited to the allotment of equity securities and/or the sale of equity securities held in treasury for cash up to an aggregate nominal amount of US$196,298.10 (representing 5% of the aggregate nominal amount of the issued share capital of the Company (excluding any treasury shares) at the date of this notice); and

(c) shall be limited to the allotment of equity securities and/or the sale of equity securities held in treasury, at a price of not less than the net asset value per share as close as practicable to the allotment or sale.

15. That, in substitution for the Company's existing authority to make market purchases of ordinary shares of 10 cents in the Company (Shares), the Company be and it is hereby authorised in accordance with section 701 of the Companies Act 2006 (the Act) to make market purchases of Shares (within the meaning of section 693 of the Act) provided that:

(a) the maximum number of shares hereby authorised to be purchased is 5,885,017 ordinary shares (being the equivalent of 14.99% of the Company's issued ordinary share capital, excluding treasury shares, at the date of this notice);

(b) the minimum price (exclusive of expenses) which may be paid for a Share shall be 10 cents;

(c) the maximum price (exclusive of expenses) which may be paid for a Share shall be the higher of (i) 5% above the average of the market values of a Share for the five business days immediately preceding the date of purchase as derived from the Daily Official List of the London Stock Exchange and (ii) the higher of the price quoted for (a) the last independent trade of, and (b) the highest current independent bid for, any number of Shares on the trading venue where the purchase is carried out; and

(d) unless renewed prior to such time, the authority hereby conferred shall expire at the conclusion of the next AGM of the Company to be held in 2021 save that the Company may, prior to such expiry, enter into a contract to purchase Shares which will or may be completed or executed wholly or partly after such expiry.

All Shares purchased pursuant to the above authority shall be either:

(i) held, sold, transferred or otherwise dealt with as treasury shares in accordance with the provisions of the Act; or

(ii) cancelled immediately upon completion of the purchase.

16. That the amended Articles as set out in the printed document produced to the meeting and marked 'A' (and for the purposes of identification initialled by the Chairman of the meeting) be hereby approved and adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, all existing Articles of Association.

By order of the Board

SARAH BEYNSBERGER
For and on behalf of
BlackRock Investment Management (UK) Limited
Company Secretary
7 April 2020

Registered Office:
12 Throgmorton Avenue
London EC2N 2DL

Notes:

1. A member entitled to attend and vote at the meeting convened by the above Notice is also entitled to appoint one or more proxies to exercise all or any of the rights of the member to attend, speak and vote instead of him/her. A proxy need not be a member of the Company. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member.

2. To appoint a proxy you may use the form of proxy enclosed with this annual report. To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, must be completed and returned to the office of the Company's registrar in accordance with the instructions printed thereon as soon as possible and in any event by not later than 12.00 noon on 25 June 2020 (being 48 hours before the time of the meeting excluding Saturdays, Sundays and Bank Holidays). Alternatively, you can vote or appoint a proxy electronically by visiting eproxyappointment.com. You will be asked to enter the Control Number, the Shareholder Reference Number and PIN which are printed on the form of proxy. The latest time for the submission of proxy votes electronically is 12.00 noon on 25 June 2020 (being 48 hours before the time of the meeting excluding Saturdays, Sundays and Bank Holidays).

3. Proxymity Voting – if you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12.00 noon on 25 June 2020 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

4. Completion of the form of proxy will not prevent you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will be automatically terminated.

5. Any person receiving a copy of this Notice as a person nominated by a member to enjoy information rights under section 146 of the Companies Act 2006 (a Nominated Person) should note that the provisions in Notes 1 to 4 above concerning the appointment of a proxy or proxies to attend the meeting in place of a member, do not apply to a Nominated Person as only shareholders have the right to appoint a proxy. However, a Nominated Person may have a right under an agreement between the Nominated Person and the member by whom he or she was nominated to be appointed, or to have someone else appointed, as proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right under such agreement to give instructions to the member as to the exercise of voting rights at the meeting.

6. Nominated Persons should also remember that their main point of contact in terms of their investment in the Company remains the member who nominated the Nominated Person to enjoy the information rights (or perhaps the custodian or broker who administers the investment on their behalf). Nominated Persons should continue to contact that member, custodian or broker (and not the Company) regarding any changes or queries relating to the Nominated Person's personal details and interest in the Company (including any administrative matter). The only exception to this is where the Company expressly requests a response from the Nominated Person.

7. Only shareholders registered in the register of members of the Company by not later than 6.00 p.m. two days prior to the time fixed for the meeting shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at such time. If the meeting is adjourned, the time by which a person must be entered on the register of members of the Company in order to have the right to attend and vote at the adjourned meeting is 6.00 p.m. two days prior to the time of adjournment. Changes to the register of members after the relevant times shall be disregarded in determining the rights of any person to attend and vote at the meeting.

8. In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.

9. Shareholders who hold their shares electronically may submit their votes through CREST, by submitting the appropriate and authenticated CREST message so as to be received by the Company's registrar by 12.00 noon on 25 June 2020 (being 48 hours before the time of the meeting excluding Saturdays, Sundays and Bank Holidays). Instructions on how to vote through CREST can be found by accessing the following website: euroclear.com/CREST. Shareholders are advised that CREST and the internet are the only methods by which completed proxies can be submitted electronically.

10. If you are a CREST system user (including a CREST personal member) you can appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by Computershare (ID number 3RA50) by 12.00 noon on 25 June 2020 (being 48 hours before the time of the meeting excluding Saturdays, Sundays and Bank Holidays). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which Computershare is able to retrieve the message. CREST personal members or other CREST sponsored members should contact their CREST sponsor for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST manual. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

11. If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interest in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure Guidance and Transparency Rules, the Chairman will make the necessary notifications to the Company and the Financial Conduct Authority. As a result, any member holding 3 per cent. or more of the voting rights in the Company, who grants the Chairman a discretionary proxy in respect of some or all of

those voting rights and so would otherwise have a notification obligation under the Disclosure Guidance and Transparency Rules, need not make a separate notification to the Company and the Financial Conduct Authority.

12. Any question relevant to the business of the meeting may be asked at the meeting by anyone permitted to speak at the meeting. A shareholder may alternatively submit a question in advance by a letter addressed to the Company Secretary at the Company's registered office. Under Section 319A of the Companies Act 2006, the Company must answer any question a shareholder asks relating to the business being dealt with at the meeting, unless (i) answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer had already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

13. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that, if it is appointing more than one corporate representative, it does not do so in relation to the same shares. It is therefore no longer necessary to nominate a designated corporate representative.

    Under Section 527 of the Companies Act 2006 (the Act), members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to:

    (i) the audit of the Company's financial statements (including the auditors' report and the conduct of the audit) that are to be laid before the meeting; or

    (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual reports and financial statements were laid in accordance with section 437 of the Act.

14. The Company may not require the members requesting any such website publication to pay its expenses in complying with section 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on that website. The business which may be dealt with at the meeting includes any statement that the Company has been required under section 527 of the Act to publish on a website.

15. Under section 338 and 338A of the Act, members meeting the threshold requirements in those sections have the right to require the Company:

    (i) to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting, and/or

    (ii) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business.

A resolution may properly be moved or a matter may properly be included in the business unless:

(a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise);

(b) it is defamatory of any person; or

(c) it is frivolous or vexatious.

Such a request may be in hard copy form or in electronic form, and must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than 15 May 2020, being the date six clear weeks before the meeting and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

16. Further information regarding the meeting which the Company is required by section 311A of the Act to publish on a website in advance of the meeting (including this Notice), can be accessed at blackrock.co.uk/brla.

17. As at the date of this report, the Company's issued share capital comprised 39,259,620 ordinary shares of 10 cents each, excluding shares held in treasury. Each ordinary share carries the right to one vote and therefore the total number of voting rights in the Company at the date of this report is 39,259,620.

18. No service contracts exist between the Company and any of the Directors, who hold office in accordance with letters of appointment and the Articles of Association.

Share fraud warning

Be ScamSmart

Investment scams are designed to look like genuine investments

Spot the warning signs

Have you been:

- **contacted out of the blue**
- **promised tempting returns and told the investment is safe**
- **called repeatedly, or**
- **told the offer is only available for a limited time?**

If so, you might have been contacted by fraudsters.

Avoid investment fraud

1. **Reject cold calls**
   If you've received unsolicited contact about an investment opportunity, chances are it's a high risk investment or a scam. You should treat the call with extreme caution. The safest thing to do is to hang up.

2. **Check the FCA Warning List**
   The FCA Warning List is a list of firms and individuals we know are operating without our authorisation.

3. **Get impartial advice**
   Think about getting impartial financial advice before you hand over any money. Seek advice from someone unconnected to the firm that has approached you.

Report a scam

If you suspect that you have been approached by fraudsters please tell the FCA using the reporting form at **www.fca.org.uk/consumers.** You can also call the FCA Consumer Helpline on **0800 111 6768**

If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 or online at www.actionfraud.police.uk

Find out more at **www.fca.org.uk/scamsmart**

Remember: if it sounds too good to be true, it probably is!

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