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Interim report and unaudited financial statements

BlackRock Balanced Growth Portfolio Fund

For the six months ended 31 August 2023

NM1023U-3202842-1/28

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General Information

Manager & Registrar

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

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

Directors of the Manager

G D Bamping*
S Corrigan (Resigned 2 May 2023)
W I Cullen*
D Edgar
K Henry (Appointed 3 March 2023)
A M Lawrence
H N Mephram
S Sabin (Appointed 18 August 2023)
M T Zemek*

Trustee & Custodian

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

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

Investment Manager

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

Authorised and regulated by the FCA.

Stock Lending Agent

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

Authorised and regulated by the FCA

Auditor

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

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

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

BlackRock Fund Managers Limited
12 Throgmorton Avenue, London EC2N 2DL
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For your protection, telephone calls are usually recorded.

* Non-executive Director.

About the Fund

BlackRock Balanced Growth Portfolio Fund (the “Fund”) is a UCITS scheme under the COLL Sourcebook. The Fund was established on 15 January 1982. The Fund’s FCA product reference number is 108404.

The Fund was first known as Rowan Fixed Interest Fund. It was renamed Mercury Global Fund and the investment objective changed on 5 May 1987. On 1 February 1989 the Fund’s name was changed to The Mercury Portfolio Fund and the investment strategy changed to that described below. On 5 January 1998 the Fund’s name was changed to the Mercury Balanced Portfolio Fund. On 30 September 2000 the Fund’s name was changed to Merrill Lynch Balanced Portfolio Fund. The Fund changed its name to BlackRock Balanced Portfolio Fund on 28 April 2008 and adopted its present name with effect from 1 May 2009.

Assessment of value

The FCA requires UK fund managers to complete an annual assessment of whether their UK authorised funds provide value for investors. Our assessment considers fund and unit class level performance, costs and charges, and service quality, concluding with an evaluation of whether investors receive value. BlackRock has fulfilled its obligations for the reporting requirement, including assessing relevant charges, and published the annual assessment of value statements on the BlackRock website on 31 October 2022 in a composite report for all funds managed by BlackRock Fund Managers Limited subject to these requirements. The next annual assessment is due for publication by the end of October 2023.

Fund Managers

As at 31 August 2023, the fund managers were Adam Ryan, Jason Byrom and Conan McKenzie.

Significant Events


Changes in the Directors of the Manager

K Henry was appointed as a Director effective 3 March 2023.

S Corrigan resigned as a Director effective 2 May 2023.

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

Risk and Reward Profile

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

- The risk indicator was calculated incorporating simulated historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest category does not mean risk free.
- The use of derivatives will impact the value of the Fund and may expose the Fund to a higher degree of risk. Derivatives are highly sensitive to changes in the value of the asset on which they are based and can increase the size of losses and gains, resulting in greater fluctuations in the value of the Fund. The impact to the Fund can be greater where derivatives are used in an extensive or complex way.

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

Investment Manager’s Report

for the six months ended 31 August 2023

Investment Objective

The aim of the Fund is to provide a return on your investment (generated through an increase in the value of the assets held by the Fund) (gross of fees) with the opportunity for additional income generation (i.e. income received on the Fund’s assets) depending on market conditions.

Comparator benchmark	Investment management approach
Investment Association OE Mixed Investment 40-85% Shares Average Sector	Active

Performance Summary

The following table compares the Fund’s realised performance against the performance of the comparator benchmark during the financial period ended 31 August 2023.

	Fund return %	Comparator benchmark %
Class D Accumulation Units	0.39	(0.24)

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

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

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

Global Economic Overview

Global equities, as represented by the MSCI All Country World Index (“ACWI”), returned 5.37% (in GBP terms) during the six months ended 31 August 2023. Equities recovered from pessimism induced by high inflation (the rate of increase in the prices of goods and services) and rising interest rates, although inflation has begun to slow down in many parts of the world. Indicators of continued resilience, such as robust consumer spending and tight labour markets, tempered investors’ concerns about slowing global economic growth.

Investment Manager's Report continued

The US economy grew strongly in the first six months of 2023 as both consumer and government spending rose, and consumers showed signs of growth in continued spending in July and August 2023. While several prominent regional banks failed during the period, prompt government action limited the impact on the wider economy. The US jobs market continued to show strength, and unemployment remained at historically low levels. In Japan, the economy accelerated during the first six months of 2023, and the government lifted strict border controls although exports declined near the end of the period under review. The UK economy was nearly flat in the first six months of 2023 before contracting in July 2023 amid weakness in exports as global trade cooled. Modest growth resumed in the Eurozone in the first six months of 2023, but high interest rates continued to weigh on the region's economy and retail sales fell in July 2023. UBS's takeover of the failed Credit Suisse at the behest of regulators stabilised markets.

Most emerging market economies continued to expand, although fluctuating commodity prices and the higher interest rate environment presented significant economic challenges. The Chinese economy grew at a slow pace relative to the country's historical rate while falling consumer prices raised concerns about deflation (general decline of the price level of goods and services).

The world's largest central banks continued to implement measures aimed at monetary policy tightening, although the pace of tightening slowed in some regions. The US Federal Reserve ("the Fed") raised interest rates three times, pausing once before resuming with another increase at its July 2023 meeting. However, this represented a significantly slower pace of interest rate increases compared to the sharp tightening seen during the second half of 2022 from the Fed. The Fed also continued to reduce some of the accumulated bond holdings on its balance sheet.

The Bank of England ("BoE") raised interest rates four times, as inflation remained high despite showing some signs of easing. The European Central Bank ("ECB") also increased interest rates at each of its four meetings in an effort to control rising prices in the Eurozone. Furthermore, the ECB began to reduce the size of its balance sheet in March 2023 by allowing some of its outstanding bonds to mature without reinvestment.

Global equity performance was positive overall, as inflationary pressure eased and the global economy continued to grow despite slowdown in some regions. US stocks surged as the Fed tightening slowed and innovations in the technology sector drove significant gains. European stocks performed well as tourism rebounded strongly, supporting consumer spending. Meanwhile, Asian stocks gained as Japan's economy picked up and investor interest in semiconductor companies surged. Equities in emerging markets also gained, helped by the slowing pace of interest rate increases.

Global bond prices (which move inversely to yields) rose slightly overall, as moderating inflation led investors to anticipate an end to the current monetary policy tightening cycle. US treasury prices rose fractionally, sustained by the changing economic environment, as well as the failure of several US banks and subsequent government intervention. UK gilt prices declined slightly, as large borrowing requirements and persistent inflation raised concerns among investors. European government bonds gained slightly, while Japanese government bond prices were volatile, driven by periodic substantial purchases from The Bank of Japan to keep yields within its yield cap. Global corporate bond prices advanced as continued resilience in the global economy drove investor optimism and both high-yield and investment-grade bonds gained.

In the commodities markets, Brent crude oil prices rose moderately as several large oil producing and exporting countries cut production levels. European natural gas prices remained steady, having retreated significantly from the highs following Russia's invasion of Ukraine. Gold prices rose amid the slowing pace of Fed interest rate increases and elevated inflation.

Investment Manager’s Report continued

In the foreign exchange markets, the US dollar performance was mixed against other global currencies. The euro and sterling appreciated relative to the US dollar, while the Japanese yen and Chinese yuan declined. Continued interest rate increases from the ECB and BoE, even as the Fed slowed its pace of interest rate hikes, drove the increase in the relative value of the euro and sterling.

Fund Performance Review and Activity

Over the six month period to 31 August 2023, the Fund’s performance return was 0.39%, outperforming its comparator benchmark which returned (0.24%).

The Fund is managed on an absolute return basis and not relative to any benchmark. The return of the comparator benchmark is given for reference purposes only.

The focus of financial markets was the ability of central banks to curb inflation and maintain economic growth. While higher than expected inflation data, combined with instability within the banking sector, impacted investor sentiment at the beginning of the period, there were signs that US inflation might moderate without the need for a rise in unemployment. This, combined with investor excitement around artificial intelligence drove the outperformance in developed market equities. Towards the end of the period, financial markets started to price in a “higher for longer” interest rate environment as central banks reiterated that there was still a long way to go to get the inflation down to their target level. The expectation for rate cuts in the near-term faded creating volatility in equity and bond markets.

Against this backdrop, the Fund’s exposure to developed market equities was the key driver of returns during the period. Non-Government Bonds and Emerging Market Equities contributed positively to returns. As bond yields rose, it impacted the share prices of the Fund’s listed alternatives exposure, resulting in the allocation to alternatives being the largest detractor from returns. Cash and foreign exchange, volatility strategies, commodities and government bonds also contributed negatively, although to a lesser extent.

During the six month period the following were the largest contributors to and detractors from the Fund’s absolute return:

Largest Contributors		Largest Detractors	
Stock	Effect on Fund return	Stock	Effect on Fund return
S&P 500 Futures	0.72%	BlackRock UK Smaller Companies Fund	(0.43%)
US Enterprise Technology Equity Basket	0.66%	Gresham House Energy Storage Fund	(0.26%)
BGF US Flexible Equity Fund	0.57%	Volatility Futures	(0.24%)
iShares Core S&P 500 UCITS ETF	0.52%	Transition Leaders Long/Short Equity Basket	(0.20%)
FTSE 250 Equity Futures (hedging)	0.30%	SDCL Energy Efficiency Income Trust	(0.17%)

Given the strong outperformance of US technology sector over the period it was exposure to US technology equities that drove returns within the portfolio. UK equities, and in particularly more domestically focused UK equities, performed negatively over the period and therefore the Fund’s hedging positions in FTSE 250 Equity Futures was additive to returns, whilst the exposure to the BlackRock UK Smaller Companies Fund detracted from performance. This negative sentiment along with rising bond yields led to the Fund’s listed alternatives exposure, namely the Gresham House Energy Storage Fund and SDCL Energy Efficiency Income Trust, to detract from performance.

Investment Manager’s Report continued

Also detracting from performance was the position in Volatility Futures, which benefits when volatility increases. The Investment Manager added it to the portfolio following the banking crisis in the US and held it during the US debt ceiling negotiations. Equity market volatility, however, remained at low levels throughout the period. The Transition Leaders Long/Short Equity Basket was also a detractor from performance due to the strong outperformance of cyclically oriented stocks within the short leg of the basket.

The following table details the significant portfolio weightings at 31 August 2023 and 28 February 2023:

31 August 2023		28 February 2023	
Asset Class	Gross Exposure	Asset Class	Gross Exposure
Equities	75.27%	Equities	72.70%
Fixed Income	17.86%	Fixed Income	14.14%
Alternatives	6.25%	Alternatives	5.88%
Commodities	3.67%	Cash and Foreign Exchange	3.33%
Volatility and Carry Strategies	1.40%	Volatility and Carry Strategies	2.00%

The Fund started the period cautiously positioned with a moderate level of risk given the wide range of interest rate expectations which continued to drive volatility in financial markets. Over the period, the Fund increased equity positioning given the prospect of a recession in the near-term seemed less likely and we also added to government bonds given that our view that they will act as an effective portfolio diversifier.

As the Fund pivots to new opportunities, the Investment Manager emphasises the importance of downside protection and continuous monitoring of key risks including geopolitical tensions and changes in the global growth outlook. The Investment Manager prefers higher quality assets as companies with stable revenue generation and healthier balance sheets are better placed to withstand the current tighter credit conditions.

Net Asset Value

At 31 August 2023	Units in Issue	Net Asset Value £000's	Net Asset Value per Unit p
A Income	340,042	601	176.8
A Accumulation	39,200,630	166,732	425.3
D Income	9,033,143	17,141	189.8
D Accumulation	20,327,048	92,510	455.1
S Income	1,772,998	2,556	144.1
S Accumulation	10,967,330	19,496	177.8

Distributions Payable for the period to 31 August 2023

Unit Class	Distribution payable on 31.10.2023 Pence per Unit
A Income	2.4210
A Accumulation	5.7457
D Income	2.5968
D Accumulation	6.1361
S Income	1.9195
S Accumulation	2.3337

Operating Charges

Unit Class	1.3.2023 to 31.8.2023	1.3.2022 to 28.2.2023
A Income	1.57%	1.59%
A Accumulation	1.57%	1.59%
D Income	0.82%	0.84%
D Accumulation	0.82%	0.84%
S Income	0.74%	0.76%
S Accumulation	0.74%	0.76%

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

Portfolio Statement (unaudited)

at 31 August 2023

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
EQUITIES – 36.39%; 28.2.2023 35.88%			
AUSTRALIA – 0.12%; 28.2.2023 0.07%			
Agriculture – 0.01%; 28.2.2023 0.01%			
19,843	Costa	29	0.01
Banks – 0.06%; 28.2.2023 0.00%			
11,416	National Australia Bank	169	0.06
Oil & Gas Producers – 0.05%; 28.2.2023 0.06%			
27,807	Santos	109	0.04
1,603	Woodside Energy ^o	30	0.01
		139	0.05
AUSTRIA – 0.11%; 28.2.2023 0.12%			
Computers – 0.01%; 28.2.2023 0.01%			
1,861	Kontron	32	0.01
Electricity – 0.07%; 28.2.2023 0.07%			
3,075	Verbund	200	0.07
Machinery Diversified – 0.02%; 28.2.2023 0.03%			
1,740	Andritz	73	0.02
Semiconductors – 0.01%; 28.2.2023 0.01%			
5,395	ams-OSRAM	29	0.01
BELGIUM – 0.08%; 28.2.2023 0.11%			
Chemicals – 0.08%; 28.2.2023 0.11%			
11,229	Umicore	234	0.08
BRAZIL – 0.07%; 28.2.2023 0.09%			
Agriculture – 0.00%; 28.2.2023 0.03%			
Forest Products & Paper – 0.04%; 28.2.2023 0.05%			
14,356	Suzano	118	0.04
Packaging & Containers – 0.01%; 28.2.2023 0.01%			
8,444	Klabin	31	0.01
Textiles – 0.02%; 28.2.2023 0.00%			
8,031	SLC Agricola	53	0.02
CANADA – 0.22%; 28.2.2023 0.20%			
Alternative Energy Sources – 0.02%; 28.2.2023 0.02%			
2,100	Canadian Solar	47	0.02
Automobile Parts & Equipment – 0.03%; 28.2.2023 0.00%			
2,115	Magna International ^o	98	0.03
Chemicals – 0.06%; 28.2.2023 0.10%			
3,460	Nutrien	174	0.06
Forest Products & Paper – 0.01%; 28.2.2023 0.02%			
1,785	Canfor	20	0.01
22,056	Western Forest Products	12	0.00
		32	0.01

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
Mining – 0.01%; 28.2.2023 0.01%			
1,255	Cameco	36	0.01
Pipelines – 0.09%; 28.2.2023 0.05%			
5,698	Enbridge	158	0.05
4,327	Pembina Pipeline ^o	106	0.04
		264	0.09
DENMARK – 0.14%; 28.2.2023 0.19%			
Alternative Energy Sources – 0.06%; 28.2.2023 0.08%			
10,286	Vestas Wind Systems	191	0.06
Building Materials – 0.02%; 28.2.2023 0.02%			
317	Rockwool	64	0.02
Chemicals – 0.01%; 28.2.2023 0.01%			
704	Novozymes ^o	24	0.01
Electricity – 0.05%; 28.2.2023 0.08%			
3,060	Orsted	154	0.05
FINLAND – 0.13%; 28.2.2023 0.22%			
Forest Products & Paper – 0.05%; 28.2.2023 0.14%			
6,037	UPM-Kymmene	163	0.05
Oil & Gas Producers – 0.04%; 28.2.2023 0.08%			
4,321	Neste ^o	126	0.04
Packaging & Containers – 0.04%; 28.2.2023 0.00%			
10,751	Stora Enso	109	0.04
FRANCE – 0.32%; 28.2.2023 0.23%			
Biotechnology – 0.00%; 28.2.2023 0.00%			
2,483	Fermentalg Rights	–	0.00
	31/12/2049 ¹		
Building Materials – 0.05%; 28.2.2023 0.00%			
2,990	Cie de Saint-Gobain ^o	153	0.05
Chemicals – 0.02%; 28.2.2023 0.02%			
479	Air Liquide	69	0.02
Commercial Services – 0.07%; 28.2.2023 0.05%			
1,763	Edenred	89	0.03
4,332	Worldline	113	0.04
		202	0.07
Computers – 0.02%; 28.2.2023 0.00%			
490	Teleperformance	54	0.02
Electrical Components & Equipment – 0.16%; 28.2.2023 0.16%			
3,490	Schneider Electric	477	0.16
GERMANY – 0.19%; 28.2.2023 0.17%			
Alternative Energy Sources – 0.06%; 28.2.2023 0.09%			
15,999	Siemens Energy	182	0.06

Portfolio Statement (unaudited) continued

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
Electrical Components & Equipment – 0.02%; 28.2.2023 0.02%			
975	SMA Solar Technology	63	0.02
Miscellaneous Manufacturing – 0.08%; 28.2.2023 0.03%			
2,023	Siemens ^o	242	0.08
Semiconductors – 0.02%; 28.2.2023 0.02%			
2,313	Infineon Technologies ^o	66	0.02
Software – 0.01%; 28.2.2023 0.01%			
841	Software	23	0.01
HONG KONG – 0.26%; 28.2.2023 0.00%			
Distribution & Wholesale – 0.00%; 28.2.2023 0.00%			
29,000	Digital China	7	0.00
Insurance – 0.26%; 28.2.2023 0.00%			
80,300	Prudential	787	0.26
IRELAND – 1.19%; 28.2.2023 1.41%			
Agriculture – 0.01%; 28.2.2023 0.02%			
10,724	Origin Enterprises	30	0.01
Building Materials – 0.03%; 28.2.2023 0.02%			
1,263	Kingspan	84	0.03
Forest Products & Paper – 0.05%; 28.2.2023 0.06%			
4,342	Smurfit Kappa	145	0.05
Private Equity – 1.10%; 28.2.2023 1.31%			
3,988,298	Greencoat Renewables	3,297	1.10
ISRAEL – 0.02%; 28.2.2023 0.04%			
Chemicals – 0.02%; 28.2.2023 0.04%			
15,368	ICL	72	0.02
ITALY – 0.07%; 28.2.2023 0.07%			
Gas – 0.07%; 28.2.2023 0.07%			
48,090	Snam	198	0.07
JAPAN – 0.20%; 28.2.2023 0.16%			
Computers – 0.01%; 28.2.2023 0.01%			
200	Fujitsu	20	0.01
Environmental Control – 0.02%; 28.2.2023 0.02%			
1,600	Kurita Water Industries	49	0.02
Forest Products & Paper – 0.01%; 28.2.2023 0.01%			
9,200	Oji ^o	30	0.01
Home Builders – 0.00%; 28.2.2023 0.00%			
400	Sumitomo Forestry	9	0.00
Leisure Time – 0.01%; 28.2.2023 0.00%			
2,100	Yamaha Motor	43	0.01

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
Machinery Diversified – 0.03%; 28.2.2023 0.04%			
2,300	Kubota	29	0.01
1,100	Omron	42	0.01
900	Yaskawa Electric	28	0.01
		99	0.03
Oil & Gas Producers – 0.03%; 28.2.2023 0.05%			
27,200	ENEOS	80	0.03
Pharmaceuticals – 0.05%; 28.2.2023 0.00%			
6,300	Daiichi Sankyo	146	0.05
Semiconductors – 0.04%; 28.2.2023 0.03%			
8,600	Renesas Electronics	114	0.04
NETHERLANDS – 0.12%; 28.2.2023 0.16%			
Chemicals – 0.01%; 28.2.2023 0.01%			
251	Koninklijke DSM ¹	20	0.01
Commercial Services – 0.02%; 28.2.2023 0.03%			
69	Adyen	46	0.02
Food Producers – 0.01%; 28.2.2023 0.02%			
1,049	Corbion	20	0.01
Healthcare Products – 0.01%; 28.2.2023 0.01%			
2,435	Koninklijke Philips ^o	44	0.01
Pipelines – 0.04%; 28.2.2023 0.05%			
4,453	Koninklijke Vopak	127	0.04
Semiconductors – 0.03%; 28.2.2023 0.04%			
26	ASML	14	0.00
524	NXP Semiconductors	85	0.03
		99	0.03
NORWAY – 0.19%; 28.2.2023 0.28%			
Alternative Energy Sources – 0.04%; 28.2.2023 0.07%			
113,913	Aker Carbon Capture	103	0.03
46,778	NEL	40	0.01
		143	0.04
Environmental Control – 0.01%; 28.2.2023 0.02%			
3,524	TOMRA Systems	38	0.01
Food Producers – 0.09%; 28.2.2023 0.13%			
10,075	Leroy Seafood	33	0.01
11,070	Mowi	157	0.05
2,239	Salmar	85	0.03
		275	0.09
Oil & Gas Producers – 0.04%; 28.2.2023 0.05%			
1,606	Aker BP	34	0.01

Portfolio Statement (unaudited) continued

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
	3,166 Equinor ^Q	77	0.03
		111	0.04
Semiconductors – 0.01%; 28.2.2023 0.01%			
	3,090 Nordic Semiconductor	29	0.01
PORTUGAL – 0.02%; 28.2.2023 0.02%			
Oil & Gas Producers – 0.02%; 28.2.2023 0.02%			
	4,902 Galp Energia SGPS	53	0.02
SOUTH KOREA – 0.09%; 28.2.2023 0.08%			
Semiconductors – 0.09%; 28.2.2023 0.08%			
	260 Samsung Electronics	258	0.09
SPAIN – 0.14%; 28.2.2023 0.18%			
Electricity – 0.08%; 28.2.2023 0.10%			
	16,287 EDP Renovaveis	237	0.08
Engineering & Construction – 0.06%; 28.2.2023 0.08%			
	1,498 Acciona	170	0.06
SWEDEN – 0.11%; 28.2.2023 0.16%			
Building Materials – 0.06%; 28.2.2023 0.02%			
	6,909 Nibe Industrier	41	0.01
	15,285 Svenska Cellulosa	162	0.05
		203	0.06
Electricity – 0.00%; 28.2.2023 0.00%			
	753 Orron Energy [^]	–	0.00
Forest Products & Paper – 0.03%; 28.2.2023 0.13%			
	3,478 Holmen	105	0.03
Healthcare Products – 0.01%; 28.2.2023 0.00%			
	2,216 Getinge	30	0.01
Telecommunications – 0.01%; 28.2.2023 0.01%			
	5,257 Telefonaktiebolaget LM Ericsson	21	0.01
SWITZERLAND – 0.32%; 28.2.2023 0.27%			
Building Materials – 0.13%; 28.2.2023 0.13%			
	909 Belimo	378	0.13
Electrical Components & Equipment – 0.03%; 28.2.2023 0.03%			
	2,950 ABB	89	0.03
Insurance – 0.06%; 28.2.2023 0.00%			
	463 Zurich Insurance ^Q	172	0.06
Metal & Hardware – 0.01%; 28.2.2023 0.01%			
	92 VAT	29	0.01
Packaging & Containers – 0.06%; 28.2.2023 0.07%			
	8,126 SIG	172	0.06

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
Semiconductors – 0.03%; 28.2.2023 0.03%			
	2,365 STMicroelectronics	89	0.03
TAIWAN – 0.02%; 28.2.2023 0.02%			
Semiconductors – 0.02%; 28.2.2023 0.02%			
	668 Taiwan Semiconductor Manufacturing	50	0.02
UNITED KINGDOM – 23.44%; 28.2.2023 23.61%			
Advertising – 0.12%; 28.2.2023 0.18%			
	180,159 Ascential	362	0.12
Agriculture – 0.30%; 28.2.2023 0.48%			
	34,040 British American Tobacco	895	0.30
Alternative Energy Sources – 0.02%; 28.2.2023 0.02%			
	62,878 ITM Power	56	0.02
Apparel – 0.02%; 28.2.2023 0.00%			
	1,230 Capri	51	0.02
Banks – 1.40%; 28.2.2023 1.66%			
	209,411 HSBC	1,232	0.41
	1,445,530 Lloyds Banking ^Q	617	0.21
	322,500 Standard Chartered ^Q	2,323	0.78
		4,172	1.40
Beverages – 0.52%; 28.2.2023 0.45%			
	47,986 Diageo	1,565	0.52
Chemicals – 0.19%; 28.2.2023 0.33%			
	34,826 Johnson Matthey	567	0.19
Commercial Services – 2.63%; 28.2.2023 2.49%			
	25,610 Ashtead	1,429	0.48
	10,172 Pagegroup	43	0.01
	178,778 RELX	4,623	1.55
	290,770 Rentokil Initial	1,753	0.59
		7,848	2.63
Computers – 0.30%; 28.2.2023 0.29%			
	574,290 Serco	884	0.30
Cosmetics & Personal Care – 0.24%; 28.2.2023 0.38%			
	17,656 Unilever	717	0.24
Distribution & Wholesale – 0.68%; 28.2.2023 0.90%			
	15,823 Ferguson ^Q	2,042	0.68
Diversified Financial Services – 1.12%; 28.2.2023 0.97%			
	59,064 Hargreaves Lansdown ^Q	451	0.15
	35,435 London Stock Exchange	2,907	0.97
		3,358	1.12
Electricity – 0.07%; 28.2.2023 0.08%			
	12,950 SSE	212	0.07

Portfolio Statement (unaudited) continued

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
Electronics – 0.35%; 28.2.2023 0.02%			
49,214	Halma	1,055	0.35
Environmental Control – 0.17%; 28.2.2023 0.14%			
9,303	Pentair	510	0.17
Food Services – 1.27%; 28.2.2023 1.29%			
188,704	Compass	3,804	1.27
Healthcare Products – 0.33%; 28.2.2023 0.30%			
92,771	Smith & Nephew ^Q	993	0.33
Household Products – 1.01%; 28.2.2023 0.96%			
52,767	Reckitt Benckiser	3,008	1.01
Insurance – 0.17%; 28.2.2023 0.52%			
98,840	Phoenix	512	0.17
Internet – 1.46%; 28.2.2023 1.35%			
267,600	Auto Trader	1,631	0.55
205,000	Baltic Classifieds	441	0.15
286,170	Rightmove	1,609	0.54
281,958	Trainline	667	0.22
		4,348	1.46
Investment Companies – 1.10%; 28.2.2023 1.30%			
147,100	Melrose Industries ^Q	763	0.26
3,339,668	Sdcl Energy Efficiency Income Trust	2,525	0.84
		3,288	1.10
Leisure Time – 0.00%; 28.2.2023 0.00%			
44,990	Patiserie ¹	–	0.00
Machinery Diversified – 0.13%; 28.2.2023 0.19%			
24,148	CNH Industrial	263	0.09
4,296	CNH Industrial	47	0.02
522	Spirax-Sarco Engineering	53	0.02
		363	0.13
Media – 0.57%; 28.2.2023 0.55%			
203,014	Pearson	1,711	0.57
Mining – 1.42%; 28.2.2023 1.55%			
86,841	Rio Tinto	4,235	1.42
Miscellaneous Manufacturing – 0.27%; 28.2.2023 0.04%			
26,175	Diploma	822	0.27
Oil & Gas Producers – 2.31%; 28.2.2023 2.46%			
442,896	BP	2,169	0.73
195,154	Shell	4,723	1.58
		6,892	2.31
Pharmaceuticals – 2.27%; 28.2.2023 2.31%			
58,218	AstraZeneca	6,265	2.09

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
29,253	Indivior	538	0.18
		6,803	2.27
Private Equity – 1.74%; 28.2.2023 1.15%			
188,600	3i	3,747	1.25
5,411,096	Forward Partners	1,461	0.49
		5,208	1.74
Real Estate Investment Trusts – 0.09%; 28.2.2023 0.09%			
220,000	Shaftesbury Capital	258	0.09
Retail – 1.05%; 28.2.2023 1.02%			
44,921	Next	3,130	1.05
Telecommunications – 0.01%; 28.2.2023 0.01%			
10,176	Spirent Communications	16	0.01
Water – 0.11%; 28.2.2023 0.13%			
36,393	Pennon	236	0.08
2,090	Severn Trent	51	0.02
4,217	United Utilities	40	0.01
		327	0.11
UNITED STATES OF AMERICA – 8.82%; 28.2.2023 8.02%			
Aerospace & Defence – 0.74%; 28.2.2023 0.81%			
8,311	AAR	406	0.14
3,985	AeroVironment	303	0.10
2,502	Curtiss-Wright	411	0.14
6,570	Hexcel	379	0.13
10,659	Howmet Aerospace	418	0.14
8,838	Kaman	158	0.05
15,109	Triumph	112	0.04
		2,187	0.74
Agriculture – 0.18%; 28.2.2023 0.24%			
3,957	Archer-Daniels-Midland	252	0.08
3,025	Bunge	273	0.09
534	Darling Ingredients ^Q	26	0.01
		551	0.18
Alternative Energy Sources – 0.15%; 28.2.2023 0.15%			
218	Enphase Energy	22	0.01
1,824	First Solar	266	0.09
4,551	Fluence Energy	95	0.03
3,131	SunPower	18	0.01
3,597	Sunrun	44	0.01
		445	0.15
Automobile Manufacturers – 0.03%; 28.2.2023 0.02%			
401	Tesla	81	0.03

Portfolio Statement (unaudited) continued

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
Chemicals – 0.35%; 28.2.2023 0.26%			
218	Air Products and Chemicals	51	0.02
3,026	Dow	131	0.04
2,824	Ecolab	410	0.14
836	Linde	255	0.09
5,477	Mosaic	168	0.06
		1,015	0.35
Commercial Services – 0.26%; 28.2.2023 0.27%			
831	Block	38	0.01
3,061	Booz Allen Hamilton	277	0.09
281	FTI Consulting	42	0.01
13,322	Sabre ^o	53	0.02
10,098	V2X	402	0.13
		812	0.26
Computers – 0.51%; 28.2.2023 0.46%			
4,593	Apple	680	0.23
33,500	Conduent	82	0.03
3,533	Fortinet	171	0.06
2,211	International Business Machines	256	0.09
2,474	NetApp	149	0.05
2,227	Seagate Technology	120	0.04
9,437	Vuzix	30	0.01
		1,488	0.51
Distribution & Wholesale – 0.04%; 28.2.2023 0.02%			
1,984	LKQ	84	0.03
3,200	Resideo Technologies	42	0.01
		126	0.04
Diversified Financial Services – 0.23%; 28.2.2023 0.16%			
1,368	Mastercard	447	0.15
1,286	Visa	250	0.08
		697	0.23
Electrical Components & Equipment – 0.13%; 28.2.2023 0.13%			
421	Emerson Electric	33	0.01
3,620	EnerSys	299	0.10
751	Generac	71	0.02
		403	0.13
Electricity – 0.06%; 28.2.2023 0.07%			
3,149	Ormat Technologies ^o	187	0.06
Electronics – 0.18%; 28.2.2023 0.14%			
1,244	Agilent Technologies	120	0.04
611	Badger Meter	80	0.03
274	TE Connectivity	29	0.01

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
6,850	Trimble	293	0.10
		522	0.18
Engineering & Construction – 0.02%; 28.2.2023 0.02%			
627	MasTec	49	0.02
Environmental Control – 0.16%; 28.2.2023 0.17%			
4,607	CECO Environmental	48	0.02
3,082	Republic Services	355	0.12
422	Waste Management	53	0.02
		456	0.16
Food Producers – 0.09%; 28.2.2023 0.10%			
4,666	Hain Celestial	40	0.01
744	Hershey	128	0.04
2,507	Kellogg	122	0.04
		290	0.09
Healthcare Products – 0.13%; 28.2.2023 0.02%			
4,272	Boston Scientific	183	0.06
905	Danaher	189	0.06
363	Masimo	33	0.01
		405	0.13
Healthcare Services – 0.02%; 28.2.2023 0.00%			
7,114	DocGo ^o	50	0.02
Household Products – 0.06%; 28.2.2023 0.00%			
1,615	Kimberly-Clark	165	0.06
Insurance – 0.05%; 28.2.2023 0.00%			
2,772	MetLife	138	0.05
Internet – 0.56%; 28.2.2023 0.43%			
3,659	Alphabet	392	0.13
3,161	Amazon.com	337	0.11
1,110	F5	142	0.05
1,569	Meta Platforms	365	0.12
1,419	Palo Alto Networks	266	0.09
1,173	VeriSign	193	0.06
		1,695	0.56
Machinery Construction & Mining – 0.03%; 28.2.2023 0.02%			
3,390	Bloom Energy	40	0.01
1,239	Terex	59	0.02
		99	0.03
Machinery Diversified – 0.68%; 28.2.2023 0.82%			
2,875	AGCO	292	0.10
1,788	Deere	583	0.19
2,135	Dover	250	0.08
1,176	Lindsay	116	0.04
128	Rockwell Automation	31	0.01

Portfolio Statement (unaudited) continued

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
	2,767 Watts Water Technologies	413	0.14
	4,540 Xylem	371	0.12
		2,056	0.68
Metal & Hardware – 0.01%; 28.2.2023 0.00%			
	717 Timken	44	0.01
Mining – 0.04%; 28.2.2023 0.00%			
	3,521 Newmont	110	0.04
Miscellaneous Manufacturing – 0.30%; 28.2.2023 0.27%			
	1,173 A O Smith	67	0.02
	6,995 Donaldson ^Ø	352	0.12
	2,653 Eaton	481	0.16
		900	0.30
Office & Business Equipment – 0.04%; 28.2.2023 0.05%			
	578 Zebra Technologies	127	0.04
Office Furnishings – 0.02%; 28.2.2023 0.00%			
	6,837 Steelcase	49	0.02
Oil & Gas Producers – 0.15%; 28.2.2023 0.19%			
	2,636 EOG Resources	266	0.09
	889 Occidental Petroleum ^Ø	44	0.01
	791 Pioneer Natural Resources	149	0.05
		459	0.15
Oil & Gas Services – 0.19%; 28.2.2023 0.25%			
	8,686 Halliburton	266	0.09
	6,376 Schlumberger	297	0.10
		563	0.19
Packaging & Containers – 0.20%; 28.2.2023 0.24%			
	2,177 Ball	93	0.03
	12,169 Graphic Packaging	215	0.07
	1,200 Packaging of America	141	0.05
	5,546 Westrock	142	0.05
		591	0.20
Pharmaceuticals – 0.07%; 28.2.2023 0.01%			
	148 Dexcom	12	0.00
	1,717 Johnson & Johnson	222	0.07
		234	0.07
Pipelines – 0.17%; 28.2.2023 0.22%			
	1,399 Cheniere Energy	182	0.06
	14,713 Kinder Morgan	202	0.07
	4,188 Williams ^Ø	116	0.04
		500	0.17
Real Estate Investment Trusts – 0.12%; 28.2.2023 0.15%			
	1,834 Equity Residential	95	0.03
	1,065 PotlatchDeltic	40	0.01

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
	4,445 Rayonier ^Ø	105	0.03
	6,169 Weyerhaeuser	161	0.05
		401	0.12
Retail – 0.01%; 28.2.2023 0.00%			
	10,369 Chico's FAS	41	0.01
Semiconductors – 1.09%; 28.2.2023 0.74%			
	3,288 Advanced Micro Devices	276	0.09
	600 Ambarella	29	0.01
	2,195 Analog Devices	314	0.10
	1,965 Applied Materials	234	0.08
	509 Broadcom	358	0.12
	951 CEVA	17	0.01
	5,634 Intel	154	0.05
	2,827 Marvell Technology	128	0.04
	1,365 Microchip Technology	88	0.03
	1,498 Micron Technology	80	0.03
	2,343 Nvidia	910	0.30
	2,153 ON Semiconductor	168	0.06
	540 Ouster ^Ø	2	0.00
	609 Qorvo	51	0.02
	774 QualComm	69	0.02
	4,511 Rambus ^Ø	201	0.07
	680 Silicon Laboratories	72	0.02
	625 Skyworks Solutions	53	0.02
	517 Texas Instruments	69	0.02
		3,273	1.09
Software – 1.24%; 28.2.2023 0.86%			
	569 Adobe	245	0.08
	770 Ansys	192	0.06
	609 Aspen Technology	94	0.03
	1,708 Cadence Design Systems	323	0.11
	758 Digi International	20	0.01
	1,330 Dynatrace	50	0.02
	487 Fair Isaac	345	0.12
	514 Intuit	219	0.07
	2,702 Microsoft	701	0.23
	3,718 Oracle	355	0.12
	1,545 Paychex	149	0.05
	1,580 PTC	182	0.06
	1,176 Salesforce	200	0.07
	1,963 Splunk	186	0.06
	3,370 VMware	443	0.15
		3,704	1.24
Telecommunications – 0.28%; 28.2.2023 0.45%			
	6,820 A10 Networks	81	0.03
	1,881 Arista Networks ^Ø	278	0.09
	6,417 Cisco Systems	288	0.10
	13,013 CommScope	34	0.01

Portfolio Statement (unaudited) continued

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
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7,168	Juniper Networks	161	0.05
		842	0.28

Water – 0.23%; 28.2.2023 0.28%

2,717	American Water Works	299	0.10
3,882	California Water Service	155	0.05
8,675	Essential Utilities	253	0.08
		707	0.23

BONDS – 0.00%; 28.2.2023 2.01%

US Dollar Denominated Government

Bonds – 0.00%; 28.2.2023 2.01%

COLLECTIVE INVESTMENT

SCHEMES – 61.76%; 28.2.2023 51.21%

Equity Funds – 28.18%; 28.2.2023 30.96%

7,952,107	BlackRock Continental European Fund†	21,007	7.02
608,284	BlackRock Global Funds - Emerging Markets Fund†	7,565	2.53
562,804	BlackRock Global Funds - US Flexible Equity Fund†	26,705	8.93
3,704,605	BlackRock Global Unconstrained Equity Fund UK	6,059	2.03
23,174,883	BlackRock UK Smaller Companies Fund	22,200	7.42
19,608	HarbourVest Global Private Equity	434	0.15
520	NB Private Equity Partners	8	0.00
65,960	Oakley Capital Investments	296	0.10
		84,274	28.18

Exchange Traded Funds – 12.90%; 28.2.2023 13.11%

32,866	iShares Core S&P 500 UCITS ETF† ⁰	12,234	4.09
252,383	iShares JP Morgan EM Local Government Bond UCITS ETF	8,847	2.96
2,348,796	iShares MSCI Japan SRI UCITS ETF USD† ⁰	11,883	3.97

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
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188,588	iShares Physical Gold ETC†	5,628	1.88
		38,592	12.90

Fixed Income Funds – 9.96%; 28.2.2023 0.00%

1,046,369	BlackRock Global Funds - Sustainable World Bond Fund†	8,640	2.89
890,566	iShares Core Bond UCITS ETF† ⁰	3,625	1.21
1,329,524	iShares Core Global Aggregate Bond UCITS ETF†	5,888	1.97
172,079	iShares Global Bond UCITS ETF† ⁰	11,632	3.89
		29,785	9.96

Investment Trusts – 3.56%; 28.2.2023 3.50%

4,327,980	Greencoat UK Wind ⁰	6,141	2.05
3,147,028	Gresham House Energy Storage Fund	4,091	1.37
81,118	HgCapital Trust	317	0.11
373	ICG Enterprise Trust	4	0.00
31,553	Pantheon International	88	0.03
		10,641	3.56

Short-term Money Market Funds – 7.16%; 28.2.2023 3.64%

5,780	BlackRock ICS Euro Liquid Environmentally Aware Fund†	498	0.17
172,667	BlackRock ICS Sterling Liquid Environmentally Aware Fund - Agency Income Class†	17,262	5.77
46,148	BlackRock ICS US Dollar Liquid Environmentally Aware Fund Agency Income Class†	3,641	1.22
		21,401	7.16

Holding or Nominal Value	Investment	Underlying Exposure – Derivatives £000's	Market Value £000's	% of Total Net Assets
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DERIVATIVES – 0.62%; 28.2.2023 (0.47%)

Forward Currency Contracts – (0.18%); 28.2.2023 0.18%

AU\$5,380,000	Australian Dollar vs UK Sterling	2,748	(81)	(0.03)
CA\$4,880,000	Canadian Dollar vs UK Sterling	2,842	1	0.00
INR 1,215,400,000	Indian Rupee vs US Dollar	22,916	(63)	(0.02)
¥771,510,000	Japanese Yen vs US Dollar	8,653	(254)	(0.08)
£7,001,222	UK Sterling vs Euro	7,007	(6)	0.00

Portfolio Statement (unaudited) continued

Holding or Nominal Value	Investment	Exposure – Underlying Derivatives £000's	Market Value £000's	% of Total Net Assets
£3,714,703	UK Sterling vs Japanese Yen	3,607	108	0.04
£16,542,097	UK Sterling vs US Dollar	17,040	(498)	(0.17)
US\$5,342,479	US Dollar vs Japanese Yen	8,412	14	0.00
US\$14,580,427	US Dollar vs Taiwan Dollar	22,747	247	0.08
		95,972	(532)	(0.18)
Futures – 0.46%; 28.2.2023 (0.81%)				
(35)	Euro Stoxx 50 September 2023	1,298	2	0.00
69	FTSE 100 Index September 2023	5,168	(81)	(0.03)
(528)	FTSE 250 Index September 2023	19,700	412	0.14
28	KOSPI SPI 200 Index September 2023	2,594	61	0.02
69	MSCI Emerging Markets Index September 2023	2,672	(71)	(0.02)
(386)	MSCI Europe ex UK Sep23 September 2023	10,469	(3)	0.00
25	MSCI World Index September 2023	1,836	46	0.02
157	S&P 500 E-Mini Index September 2023	28,026	873	0.29
18	S&P/TSX 60 Index September 2023	2,562	45	0.01
69	US 10 Year Note (CBT) December 2023	6,038	50	0.02
30	US Ultra Bond (CBT) December 2023	3,054	38	0.01
		83,417	1,372	0.46
Inflation Swaps – (0.10%); 28.2.2023 (0.10%)				
477,000	Goldman Sachs Euro 2.495% vs Variable 15/4/2052	357	(54)	(0.02)
345,261	Goldman Sachs Euro 2.5075% vs Variable 15/4/2052	259	(38)	(0.01)
483,000	Goldman Sachs Euro 2.535% vs Variable 15/4/2052	366	(50)	(0.01)
444,000	Goldman Sachs Euro 2.58% vs Variable 15/3/2052	337	(44)	(0.01)
3,788,358	Morgan Stanley Euro 2.7575% vs Variable 15/5/2053	3,283	33	0.01
856,644	UBS Euro 2.56% vs Variable 15/4/2052	655	(82)	(0.03)
900,000	UBS Euro 2.585% vs Variable 15/4/2052	693	(81)	(0.03)
		5,950	(316)	(0.10)
Options – 0.12%; 28.2.2023 0.07%				
14,650,000	Goldman Sachs International (US Dollar Call Japanese Yen Put Call 1/3/2033 @ 136.0)	190	190	0.06
6,803,100	S&P 500 Put 15/12/2023 125	1	1	0.00
(42)	S&P 500 Put 15/12/2023 3950	1,384	(75)	(0.02)
42	S&P 500 Put 15/12/2023 4400	4,614	243	0.08
		6,189	359	0.12
Total Return Swaps – 0.32%; 28.2.2023 0.19%				
24,795	Barclays Bank Volatility Carry Strategy Index 17/11/2023	3,051	17	0.00
2,146	Citibank Global Brands Basket Index 1/9/2023	5,890	1,299	0.43
11,662	HSBC Transition Leader Long Basket Index 13/12/2023	1,106	(11)	0.00
5,831	HSBC Transition Leader Long Basket Index 13/12/2023	553	(6)	0.00
11,662	HSBC Transition Leader Long Basket Index 13/12/2023	1,106	(11)	0.00
8,798	HSBC Transition Leader Long Basket Index 13/12/2023	835	(8)	0.00
11,662	HSBC Transition Leader Long Basket Index 13/12/2023	1,106	(11)	0.00
8,797	HSBC Transition Leader Long Basket Index 13/12/2023	835	(8)	0.00
24,929	HSBC Transition Leader Short Basket Index 13/12/2023	2,658	(134)	(0.05)
2,671	Morgan Stanley International 26/7/2024	1,157	(13)	(0.01)

Portfolio Statement (unaudited) continued

Holding or Nominal Value	Investment	Exposure – Derivatives £000's	Underlying Market Value £000's	% of Total Net Assets
411,462	UBS Aquantum Scarcity Premium Commodity Index 9/8/2024	5,415	(149)	(0.05)
		23,712	965	0.32
Portfolio of investments			295,353	98.77
Net other assets			3,683	1.23
Total net assets			299,036	100.00

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

Underlying exposure has been calculated according to the guidelines issued by the European Securities and Markets Authority ("ESMA") (as adopted by the FCA) and represents the market value of an equivalent position in the assets underlying each financial derivative instrument.

The counterparties for the forward currency contracts are BNP Paribas Arbitrage SNC, Goldman Sachs International, HSBC Bank Plc, Morgan Stanley & Co. International Plc, Royal Bank of Canada and Toronto-Dominion Bank.

The total return swaps ("TRS") shown in the portfolio statement starting on page 17 are expressed at both their mark-to-market and original notional value, which when added together represent the current notional value of the TRS. The current notional value of a TRS represents the reference amount used to calculate payments between the counterparties to the TRS. The full notional value represents the economic interest in the security underlying the TRS, but does not change hands in full between the counterparties.

¹ These securities were valued in consultation with the Manager. These securities were fair valued or suspended at financial period end.

⁰ All or a portion of this investment represents a security on loan.

[^] Investments which are less than £500 are rounded to zero.

[†] Managed by a related party.

Statement of Total Return (unaudited)

for the six months ended 31 August 2023

	£000's	31.8.2023 £000's	£000's	31.8.2022 £000's
Income				
Net capital losses		(2,323)		(496)
Revenue	4,061		3,369	
Expenses	(1,848)		(1,783)	
Interest payable and similar charges	(2)		(86)	
Net revenue before taxation	2,211		1,500	
Taxation	(37)		(29)	
Net revenue after taxation		2,174		1,471
Total return before distributions		(149)		975
Distributions		(4,013)		(3,254)
Change in net assets attributable to unitholders from investment activities		(4,162)		(2,279)

Statement of Change in Net Assets Attributable to Unitholders

(unaudited) for the six months ended 31 August 2023

	£000's	31.8.2023 £000's	£000's	31.8.2022 £000's
Opening net assets attributable to unitholders		295,701		285,254
Amounts receivable on issue of units	18,712		22,641	
Amounts payable on cancellation of units	(14,971)		(20,164)	
		3,741		2,477
Change in net assets attributable to unitholders from investment activities		(4,162)		(2,279)
Retained distribution on accumulation units		3,756		3,025
Closing net assets attributable to unitholders		299,036		288,477

The above statement shows the comparative closing net assets at 31 August 2022 whereas the current accounting period commenced 1 March 2023.

Balance Sheet (unaudited)

at 31 August 2023

	31.8.2023 £000's	28.2.2023 £000's
Assets:		
Fixed assets		
– Investment assets	297,185	266,608
Current assets		
– Debtors	1,297	20,658
– Cash and bank balances	7,625	34,557
Total assets	306,107	321,823
Liabilities:		
Investment liabilities	(1,832)	(4,514)
Creditors		
– Amounts due to futures clearing houses and brokers	(1,396)	(59)
– Distributions payable	(277)	(283)
– Other creditors	(3,566)	(21,266)
Total liabilities	(7,071)	(26,122)
Net assets attributable to unitholders	299,036	295,701

G D Bamping (Director)

M T Zemek (Director)

BlackRock Fund Managers Limited

26 October 2023

Notes to Financial Statements (unaudited)

for the six months ended 31 August 2023

Accounting Policies

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

The accounting policies applied are consistent with those of the financial statements for the year ended 28 February 2023 and are described in those annual financial statements.

Supplementary Information

Efficient Portfolio Management Techniques

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

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

Securities Lending and Total Return Swaps (TRS)

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

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

The following table details the value of securities on loan as a proportion of the Fund's total lendable assets and Net Asset Value (NAV) and the value of TRS as a proportion of the Fund's NAV, as at 31 August 2023. The income/returns earned from securities lending and TRS respectively are also shown for the period ended 31 August 2023. Total lendable assets represents the aggregate value of assets forming part of the Fund's securities lending programme. This excludes any assets held by the Fund that are not considered lendable due to any market, regulatory, investment or other restriction. The value of TRS is based on the underlying exposure value on a gross absolute basis.

Securities on loan			TRS	
% of lendable assets	% of NAV	Income earned £000's	% of NAV	Returns earned £000's
9.35	5.50	27	7.93	–

The total income earned from securities lending transactions is split between the relevant Fund and the Stock Lending Agent. The Fund receives 62.5% while the Stock Lending Agent receives 37.5% of such income, with all operational costs borne out of the Stock Lending Agent's share.

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

Supplementary Information continued

The following table details the value of securities on loan (individually identified in the Fund's portfolio statement) and associated collateral received and the underlying exposure value on a gross absolute basis for TRS, analysed by counterparty as at 31 August 2023.

Counterparty	Counterparty's country of establishment	Securities Lending		TRS
		Amount on loan	Collateral received	Underlying exposure
		£000's	£000's	£000's
Barclays Capital Securities Limited	UK	3,453	3,645	3,051
BNP Paribas	France	28	32	–
Citigroup Global Markets Limited	UK	1,013	1,144	5,890
Credit Suisse International	UK	632	678	–
Goldman Sachs International	UK	5,880	6,293	–
HSBC Bank	UK	–	–	8,199
J.P. Morgan Securities Plc	UK	903	986	–
Merrill Lynch International	UK	1,283	1,364	–
Morgan Stanley International	UK	410	472	1,157
The Bank of Nova Scotia	Canada	64	69	–
UBS	Switzerland	2,784	3,070	5,415
Total		16,450	17,753	23,712

The following table provides an analysis of the maturity tenor of TRS as at 31 August 2023.

	Maturity Tenor					Total
	1 - 30 days	31 - 90 days	91 - 365 days	More than 365 days	Open transactions	
	£000's	£000's	£000's	£000's	£000's	
TRS	5,890	3,051	14,771	–	–	23,712

The above maturity tenor analysis has been based on the respective transaction contractual maturity date. All securities on loan have an open maturity tenor as they are callable or terminable on a daily basis.

Collateral

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

The following table provides an analysis by currency of the underlying cash and non-cash collateral received/posted by way of title transfer collateral arrangement by the Fund, in respect of securities lending transactions and OTC FDIs (including TRS), as at 31 August 2023.

Currency	Cash collateral received £000's	Cash collateral posted £000's	Non-cash collateral received £000's	Non-cash collateral posted £000's
Securities lending transactions				
AUD	–	–	704	–
CAD	–	–	431	–
CHF	–	–	28	–
CNY	–	–	233	–
DKK	–	–	47	–
EUR	–	–	6,337	–
GBP	–	–	1,735	–
HKD	–	–	27	–
JPY	–	–	1,117	–
NOK	–	–	3	–
SEK	–	–	72	–
SGD	–	–	6	–
USD	–	–	7,013	–
Total	–	–	17,753	–

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

Supplementary Information continued

The following table provides an analysis of the type, quality and maturity tenor of non-cash collateral received/posted by the Fund by way of title transfer collateral arrangement in respect of securities lending transactions and OTC FDIs (including TRS), as at 31 August 2023.

Collateral type and quality	Maturity Tenor					Open transactions	Total
	1 - 7 days	8 - 30 days	31 - 90 days	91 - 365 days	More than 365 days		
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Collateral received - securities lending							
Fixed income							
Investment grade	–	7	9	125	10,125	–	10,266
Equities							
Recognised equity index	–	–	–	–	–	6,886	6,886
ETFs							
UCITS	–	–	–	–	–	410	410
Non-UCITS	–	–	–	–	–	191	191
Total	–	7	9	125	10,125	7,487	17,753

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

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

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

Supplementary Information continued

As at 31 August 2023, all non-cash collateral received by the Fund in respect of securities lending transactions and OTC FDI (including TRS)is held by the Fund’s Trustee (or through its delegates).

The following table lists the top ten issuers (or all the issuers if less than ten) by value of non-cash collateral received by the Fund by way of the title transfer collateral arrangement across securities lending transactions and OTC FDIs as at 31 August 2023.

Issuer	Value £000's	% of the Fund's NAV
United States of America (Government)	2,310	0.77
Germany, Federal Republic of (Government)	1,774	0.60
United Kingdom of Great Britain and Northern Ireland (Government)	1,682	0.56
France, Republic of (Government)	1,111	0.37
Netherlands, Kingdom of the (Government)	858	0.29
PDD Holdings Inc	596	0.20
Itau Unibanco Holding SA	576	0.19
Finland, Republic of (Government)	541	0.18
Australia, Commonwealth of (Government)	535	0.18
Austria, Republic of (Government)	524	0.18
Other issuers	7,246	2.42
Total	17,753	5.94

About us

BlackRock is a premier provider of asset management, risk management, and advisory services to institutional, intermediary, and individual clients worldwide. As of 30 September 2023, the firm manages £7.18 trillion across asset classes in separate accounts, mutual funds, other pooled investment vehicles, and the industry-leading iShares® exchange-traded funds.

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

BlackRock serves clients in North and South America, Europe, Asia, Australia, Africa, and the Middle East. Headquartered in New York, the firm maintains offices in over 38 countries around the world.

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