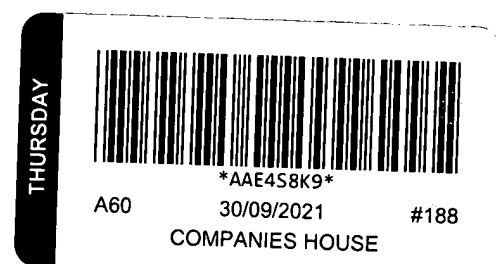


Registration number: 11225817

# BlackRock UK (Gamma) Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2020



## **BlackRock UK (Gamma) Limited**

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## **BlackRock UK (Gamma) Limited**

### **Strategic Report for the Year Ended 31 December 2020**

The directors present their Strategic Report for BlackRock UK (Gamma) Limited ("the Company") for the year ended 31 December 2020.

#### ***The Company's role in the global group***

The Company is part of BlackRock, Inc. ("BlackRock"), a leading publicly traded investment management firm with \$8.68tn in assets under management ("AUM") as at 31 December 2020. With approximately 16,500 employees in more than 30 countries who serve clients in over 100 countries around the globe, BlackRock provides a broad range of investment and technology services to institutional and retail clients worldwide.

There have not been any significant changes in the Company's principal activities as detailed in the Directors' Report under "Principal activity" in the period under review and the Board of directors ("the Board") proposes that the principal activities will continue during 2021.

#### ***Corporate strategy***

Corporate strategy is developed and reviewed at a global and regional level. This Strategic Report will therefore focus on both global and regional industry trends and areas of strategic focus.

#### ***Industry profile***

##### ***Global***

BlackRock's diverse platform of alpha-seeking active, index and cash management investment strategies across asset classes enables the firm to tailor investment outcomes and asset allocation solutions for clients. Product offerings include single and multi-asset portfolios investing in equities, fixed income, alternatives and money market instruments. Products are offered directly and through intermediaries in a variety of vehicles, including open-end and closed-end mutual funds, iShares® exchange-traded funds ("ETFs"), separate accounts, collective investment trusts and other pooled investment vehicles. BlackRock also offers technology services, including the investment and risk management technology platform, Aladdin®, Aladdin Wealth, eFront®, Cachematrix and FutureAdvisor, as well as advisory services and solutions to a broad base of institutional and wealth management clients. BlackRock is highly regulated and manages its clients' assets as a fiduciary. BlackRock does not engage in proprietary trading activities that could conflict with the interests of clients.

BlackRock serves a diverse mix of institutional and retail clients, with a regionally focused business model. Footprints in the Americas, EMEA and Asia-Pacific regions reflect strong relationships with intermediaries and an established ability to deliver global investment expertise in funds and other products tailored to local regulations and requirements. BlackRock leverages the benefits of scale across global investment, risk and technology platforms while at the same time using local distribution presence to deliver solutions for clients. Furthermore, BlackRock's structure facilitates strong teamwork globally across both functions and regions in order to enhance the ability to leverage best practices to serve clients and continue to develop talent.

Across BlackRock, more clients are focusing on the impact of sustainability on their portfolios. This shift has been driven by an increased understanding of how sustainability-related factors can affect economic growth, asset values, and financial markets as a whole. As a fiduciary, BlackRock is committed to helping clients build more resilient portfolios. Since sustainable investment options have the potential to offer clients better outcomes, BlackRock is making sustainability integral to the way in which the firm manages risk, constructs portfolios, designs products, and engages with companies. Over the past several years, BlackRock has been deepening the integration of sustainability into technology, risk management, and product choice and plans to accelerate those efforts.

##### ***Regional***

On a regional basis, BlackRock in EMEA managed \$2.4tn (2019: \$1.9tn) of AUM as at 31 December 2020 for its clients. This generated \$4.9bn (2019: \$3.9bn) of revenue from a diversified client base and product range. Growth in the region in 2020 was driven by equity net inflows, reflecting strong flows into iShares and active equity solutions.

## **BlackRock UK (Gamma) Limited**

### **Strategic Report for the Year Ended 31 December 2020 (continued)**

#### ***Key performance indicators***

##### **Profit after tax**

Profit after tax was \$52.6m for the year (2019: \$25.0m). This was due to dividends received for the year.

##### **Net assets**

The net assets of the Company as at 31 December 2020 were £1,715m (2019: £1,715m).

The performance of the Company is included in the results of BlackRock, Inc. group which are disclosed in the BlackRock, Inc. group annual report and on Form 10-K to the United States Securities and Exchange Commission ("SEC"). BlackRock, Inc. manages its key performance indicators on a global basis but in consideration of individual legal entities. For this reason, the Company's directors believe that providing further performance indicators for the Company itself would not enhance an understanding of the development, performance or position of the business of the Company.

##### **Principal risks and uncertainties**

The Board is responsible for the Company's system of risk management and internal control and for reviewing its effectiveness.

The Board has considered a number of potential risks and uncertainties affecting the Company's business and has established associated policies and processes designed to manage and, where possible, mitigate those risks, which are monitored by the Board.

This system assists the Board in determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives.

Actions taken by the Board to manage and mitigate the Company's principal risks and uncertainties are set out as follows:

##### ***Non-financial (operational) risks***

*Risk description:* non-financial risks are operational risks that arise from events or actions, other than financial transactions, that can negatively impact the operations, assets or reputation of the Company. These risks may, but do not always have, an adverse financial impact, and are often the result of inadequate internal processes, controls, people or systems, or external events. Key operational risks facing the Company include:

- *Operational (process) risk:* risk of financial loss or reputational impact resulting from inadequate or failed internal processes and controls, human error, or systems, which may occur within the Company's internal operations.
- *Compliance risk:* risk that the Company's activities or operations are not conducted in compliance with applicable laws, including those laws which impose fiduciary obligations or that conflicts of interest are not appropriately mitigated.
- *Information security/cyber risk:* risk arising from the inability to control and protect the Company's information from internal or external security events, which includes loss of confidentiality, integrity, and availability of information stored on computer systems. This loss may arise through intrusion attacks, malicious behaviour, errors, design weakness, or breakdowns in controls. Information security/cyber incidents can result in material financial loss, loss of competitive position, reputational harm, or legal liability.
- *Financial crime risk:* risk arising from the failure to prevent external or internal parties from gaining access to, or utilising, company assets for criminal purposes which include money laundering, breaches of economic sanctions, fraud, bribery and corruption.
- *Financial reporting risk:* risk resulting from ineffective internal controls over financial reporting or failure to prepare and/or disclose accurate information in financial statements, which could have an adverse impact on the Company's reputation and lead to the restatement of accounts, increased regulatory scrutiny, or fines.

## BlackRock UK (Gamma) Limited

### Strategic Report for the Year Ended 31 December 2020 (continued)

*Risk mitigation:* the Company benefits from BlackRock's well-established operational risk management framework that provides appropriate control and oversight over risk management arrangements. The risk management framework is based on a three lines of defence model comprised of the following three elements:

- Risk governance, including setting risk tolerances, establishing policies and procedures, establishing regional and global risk committees and overseeing the risk management framework.
- Risk identification and assessment, including identifying the Company's key risks and emerging risks, identifying business unit risk through tools such as risk and control self-assessments and regular meetings with business units, reviewing new products and major changes and reviewing internal and external operating events.
- Risk monitoring and measurement, quantifying and forecasting risks and monitoring against risk tolerances. This includes monitoring and investigating operating events, and recording them in a database of operating events, establishing and monitoring key risk indicators in the context of the Company's risk tolerance.

#### **Reputational risk**

*Risk description:* reputational risk is the risk arising from an adverse perception on the part of existing and potential stakeholders, overseers and business partners that could negatively impact brand value. Reputational risk can emerge as a standalone risk, but it also can be a consequence of another risk, for example, reputational risk is closely linked to the culture of the Company.

*Risk mitigation:* BlackRock's reputation is one of its most important assets and BlackRock expects all of its employees to act with the highest level of integrity with clients and in markets. As a client-focused business, BlackRock considers reputational risk to be a fundamental aspect of all business and risk management activities. Reputational risk exposure is an integral part of BlackRock's Enterprise Risk Management Framework and a key focus for internal control processes around strategic decisions, operational processes, corporate governance, responsibility and communications and external relationships.

#### **Strategy/Business Risk**

*Risk description:* strategy/business risk arises from adverse business decisions or improper implementation of those decisions that could negatively impact revenue, earnings, and brand value. This includes adverse impact from factors such as competition, structural industry changes, asset class shifts, geopolitical instability, macro-economic conditions, falling behind industry changes or relationships with other entities. This risk is a function of the alignment between the Company's strategic goals, the business strategies developed to achieve those goals, the resources deployed against these goals, and the quality of implementation. Two noteworthy examples of strategy/business risk have been:

- *Climate risk:* a growing awareness of the ongoing and potential future impact of climate change is shifting the views and expectations of BlackRock's key stakeholders including clients, regulators, shareholders, employees and the broader public as well as the way BlackRock thinks about climate risks as an investment risk. Climate change poses risks and opportunities that may impact the companies in which BlackRock invests on behalf of its clients. The risk arises both in terms of the physical risk associated with rising global temperatures, and also transition risk, namely, how the global transition to a low-carbon economy could affect a Company's long-term profitability. The investment risks presented by climate change are set to accelerate a significant reallocation of capital, which will in turn have an impact on the pricing of risk and assets around the world.
- *Natural disasters, pandemics or health crises:* events outside of BlackRock's control, including natural disasters, pandemics or health crises (such as the COVID-19 pandemic), may arise from time to time. Any such events, and responses thereto, may cause significant volatility and declines in global markets, disruptions to commerce (including to economic activity, travel and supply chains), loss of life and property damage. They may adversely affect the global economy or capital markets, as well as BlackRock's products, clients, vendors, operations and employees, which in turn may cause the BlackRock's AUM, revenue and earnings to decline. In particular, as the COVID-19 pandemic increases in duration, continuation of measures to counteract the spread of the virus (e.g. social distancing) could result in an even broader economic downturn which could have a prolonged negative impact on the Company's financial results.

## BlackRock UK (Gamma) Limited

### Strategic Report for the Year Ended 31 December 2020 (continued)

*Risk mitigation:* the Company mitigates strategy / business risk by making extensive efforts to respond to industry uncertainties and business opportunities. The Company also anticipates business environment changes and then implements the necessary changes to generate better outcomes for the Company and its clients.

In relation to risks posed by climate change, BlackRock has committed to put sustainability at the centre of risk management, portfolio construction, product design and Company engagement. The commitment has been widely communicated to stakeholders, including a letter to shareholders during January 2021, which can be accessed at the following link:

<https://www.blackrock.com/corporate/investor-relations/larry-fink-ceo-letter>.

In December 2020 BlackRock, Inc. published its first Task Force on Climate-Related Financial Disclosures ("TCFD")-aligned report detailing BlackRock's climate-related risks and opportunities, which can be accessed at the following link:

<https://www.blackrock.com/corporate/literature/continuous-disclosure-and-important-information/tcfd-report-2020-blkinc.pdf>

In order to mitigate the COVID-19 impact, market movements are closely monitored by BlackRock's investment research teams, and strategic decisions are taken by portfolio managers to proactively manage risk in line with each client's investment objective. BlackRock has in place a detailed business continuity management programme that is focused on maintaining business operations in the event of a crisis. BlackRock's preparedness approach includes an extensive programme to monitor, review and assess threats and, where necessary, to respond to incidents that might impact our employees and operations. BlackRock has updated its key protocols to ensure there are appropriate mechanisms to manage:

- process resilience and compliance, including information technology infrastructure;
- the impact on BlackRock's key supply chains; and
- the impact on third party service providers.

#### **Conduct risk**

*Risk description:* conduct risk is the risk arising from inappropriate behaviour by the Company which leads to detriment to the Company or has a negative impact on market integrity.

*Risk mitigation:* conduct risk is present in all of the Company's activities and responsibility for managing conduct risk is embedded throughout Company's organisational and governance arrangements.

Approved by the Board on 24 September 2021 and signed on its behalf by:



.....  
D C M Beattie  
Director

## **BlackRock UK (Gamma) Limited**

### **Directors' Report for the Year Ended 31 December 2020**

The Board presents its report together with the audited financial statements of BlackRock UK (Gamma) Limited (registered number: 11225817) for the year ended 31 December 2020.

The directors have chosen, in accordance with section 414C (11) of the Companies Act 2006, to include certain additional matters in the Strategic Report that would otherwise be required to be disclosed in the Directors' Report.

#### **Principal activity**

The principal activity of the Company is that of a holding company for certain UK entities within the BlackRock, Inc. group. The company provides financing, and where appropriate acts as a holding company for other entities in the BlackRock, Inc. group.

#### **Dividends**

Dividends of \$52.6m (2019: \$25.0m) were paid during the year.

#### **Directors and officers of the company**

The directors, who held office during the year and up to the date of this report, were as follows:

P Matsumoto

A J H Peters

D C M Beattie (appointed 23 December 2020)

Officers:

BlackRock Company Secretary Services (UK) Limited - Company secretary

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101").

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 and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has 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.

## **BlackRock UK (Gamma) Limited**

### **Directors' Report for the Year Ended 31 December 2020 (continued)**

#### **Going concern**

The Company's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report on pages 1 to 4 along with principal risks and uncertainties.

In assessing the going concern status, the directors have taken into account the above factors, including the financial position of the Company. The Company has, at the date of this report, sufficient existing finances available for its estimated requirements for the next 12 months. This, together with its proven ability to generate cash from operations, provides the directors with the confidence that the Company is well placed to manage its business risks successfully.

After making appropriate enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

#### **Directors' third-party indemnity provisions**

Qualifying third-party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the course of the financial period ended 31 December 2020 for the benefit of the then directors and, at the date of this report, are in force for the benefit of the directors in relation to certain losses and liabilities which may occur (or have occurred) in connection with their duties, powers or office.

#### **Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware. This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

#### **Reappointment of auditors**

The auditor, Deloitte LLP, was appointed during the period and is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 24 September 2021 and signed on its behalf by:



.....  
D C M Beattie  
Director



## **BlackRock UK (Gamma) Limited**

### **Independent Auditor's Report to the Members of BlackRock UK (Gamma) Limited**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion the financial statements of BlackRock UK (Gamma) Limited (the "Company"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Conclusions relating to going concern**

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

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

##### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **BlackRock UK (Gamma) Limited**

### **Independent Auditor's Report to the Members of BlackRock UK (Gamma) Limited (continued)**

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Responsibilities of directors**

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit and those charged with governance about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Companies Act 2006 and Corporation Tax Act 2010; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

## **BlackRock UK (Gamma) Limited**

### **Independent Auditor's Report to the Members of BlackRock UK (Gamma) Limited (continued)**

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

#### **Report on other legal and regulatory requirements**

##### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

##### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

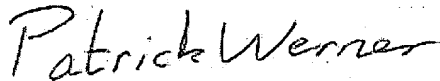
We have nothing to report in respect of these matters.

**BlackRock UK (Gamma) Limited**

**Independent Auditor's Report to the Members of BlackRock UK (Gamma) Limited  
(continued)**

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Patrick Werner CA (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP, Statutory Auditor

Edinburgh  
United Kingdom

24 September 2021

## **BlackRock UK (Gamma) Limited**

### **Profit and Loss Account for the Year Ended 31 December 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Dividends received	<u>52,569</u>	<u>25,000</u>
Profit before tax	<u>52,569</u>	<u>25,000</u>
Profit for the year	<u>52,569</u>	<u>25,000</u>

There are no other comprehensive income/expense items in the current year or prior period, therefore the profit for these periods represents the comprehensive income.

The notes on pages 14 to 18 form an integral part of these financial statements.

**BlackRock UK (Gamma) Limited**

**(Registration number: 11225817)**  
**Balance Sheet as at 31 December 2020**

		<b>31 December 2020 \$ 000</b>	<b>31 December 2019 \$ 000</b>
	<b>Note</b>		
<b>Fixed assets</b>			
Investments	7	<u>1,715,173</u>	<u>1,715,173</u>
<b>Net assets</b>		<u><u>1,715,173</u></u>	<u><u>1,715,173</u></u>
<b>Capital and reserves</b>			
Share premium		<u>1,715,173</u>	<u>1,715,173</u>
<b>Shareholders' funds</b>		<u><u>1,715,173</u></u>	<u><u>1,715,173</u></u>

The balance sheet includes \$102 of share capital subscribed by BlackRock UK (Alpha) Limited which has not been disclosed as a separate line item as it is not visible in the rounded balance sheet.

Approved by the Board on 24 September 2021 and signed on its behalf by:



.....  
D C M Beattie  
Director

The notes on pages 14 to 18 form an integral part of these financial statements.

## BlackRock UK (Gamma) Limited

### Statement of Changes in Equity for the Year Ended 31 December 2020

	Called-up share capital \$ 000	Share premium reserve \$ 000	Profit and loss account \$ 000	Total \$ 000
At 1 January 2020	-	1,715,173	-	1,715,173
Profit for the year	-	-	52,569	52,569
Total comprehensive income	-	-	52,569	52,569
Dividends	-	-	(52,569)	(52,569)
At 31 December 2020	-	1,715,173	-	1,715,173

	Called-up share capital \$ 000	Share premium reserve \$ 000	Profit and loss account \$ 000	Total \$ 000
At 1 January 2019	-	1,715,173	-	1,715,173
Profit for the year	-	-	25,000	25,000
Total comprehensive income	-	-	25,000	25,000
Dividends	-	-	(25,000)	(25,000)
At 31 December 2019	-	1,715,173	-	1,715,173

The notes on pages 14 to 18 form an integral part of these financial statements.

## **BlackRock UK (Gamma) Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **1 General information**

The Company is a private company limited by share capital, incorporated and domiciled in England, United Kingdom, .

The address of its registered office is:

12 Throgmorton Avenue

London

EC2N 2DL

United Kingdom

These financial statements were authorised for issue by the Board on 24 September 2021.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

##### **Basis of preparation**

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 'Application of Financial Reporting Requirements' ("FRS 100") as issued by the Financial Reporting Council ("FRC"). Accordingly, in the year ended 31 December 2020 the company has applied Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101") issued by the FRC.

The financial statements have been prepared on the historical cost basis, except for the revaluation of any financial instruments at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

##### **Summary of disclosure exemptions**

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain standards, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions.

Where required, equivalent disclosures are given in the group accounts of BlackRock, Inc. These accounts are available to the public and can be obtained as set out in note 11.

##### **Exemption from preparing group accounts**

The financial statements contain information about BlackRock UK (Gamma) Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, BlackRock, Inc., a company incorporated in the United States of America.



## **BlackRock UK (Gamma) Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)**

#### **2 Accounting policies (continued)**

##### **Going concern**

The Company's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report on pages 1 to 4 along with principal risks and uncertainties.

In assessing the going concern status, the directors have taken into account the above factors, including the financial position of the Company. The Company has, at the date of this report, sufficient existing finances available for its estimated requirements for the next 12 months. This, together with its proven ability to generate cash from operations, provides the directors with the confidence that the Company is well placed to manage its business risks successfully.

After making appropriate enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

##### **Dividends**

Dividends payable and receivable are included in the financial statements in the period in which they are declared, being appropriately authorised and no longer discretionary.

##### **Tax**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

##### **Investments**

Investments are equity holdings in subsidiaries and associates. They are measured at cost less any provision for impairment.

Investments are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.

#### **3 Critical accounting judgements and key sources of estimation uncertainty**

##### *Critical accounting judgements*

In the application of the company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised. The directors do not consider that any critical accounting estimates or significant judgements have been made in the current period.

## BlackRock UK (Gamma) Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

#### 4 Directors' remuneration

The directors' remuneration for the year was as follows:

	2020 \$ 000	2019 \$ 000
Aggregate emoluments	<u>3</u>	<u>3</u>

Of the 3 (2019: 3) directors that served during the period, none were remunerated by the Company (2019: none). The amounts included above relate to their service as directors of the Company based on an estimated time allocation basis.

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2020 No.	2019 No.
Received or were entitled to receive shares under service condition based schemes	2	3
Accruing benefits under defined contribution pension schemes	<u>3</u>	<u>2</u>

During the year, no director (2019: no director) exercised BlackRock, Inc. share options.

#### 5 Auditor's remuneration

	2020 \$ 000	2019 \$ 000
Audit of the financial statements	<u>10</u>	<u>6</u>
	<u>10</u>	<u>6</u>

Auditors' remuneration has been borne by another group company in the current and preceding year.

## BlackRock UK (Gamma) Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

#### 6 Income tax

The tax on profit before tax for the year is same as (2019: same as) the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%).

	2020 \$ 000	2019 \$ 000
Profit before tax	52,569	25,000
Corporation tax at standard rate	9,988	4,750
Increase from effect of revenues exempt from taxation	(9,988)	(4,750)
Decrease arising from group relief tax reconciliation	(35,228)	(35,228)
Increase in Partnership distribution from BlackRock UK (Delta) LP	35,228	35,228
Total tax charge/(credit)	-	-

#### 7 Investments

**Subsidiaries** **\$ 000**  
**Cost**

At 1 January 2020	1,715,173
At 31 December 2020	1,715,173
At 31 December 2019	1,715,173

Details of the subsidiaries as at 31 December 2020 are as follows:

Name of subsidiary	Principal activity	Country of incorporation and registered office address	Proportion of ownership interest and voting rights held	
			2020	2019
BlackRock UK (Delta) LP*	Financing and intermediary holding partnership	United Kingdom 12 Throgmorton Avenue, London, EC2N 2DL	100%	100%
BlackRock UK (Sigma) Limited	Provision of foreign exchange trading services to entities within the group	United Kingdom 12 Throgmorton Avenue, London, EC2N 2DL	100%	100%

\*indicates direct investment of the company

## BlackRock UK (Gamma) Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

#### 8 Related party transactions

The Company has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions with fellow members of the group.

Details of directors' remuneration are set out in note 4. There are no personnel other than directors, who as key management exercise authority and responsibility for planning, directing and controlling the activities of the Company.

#### 9 Share capital

##### Allotted, called up and fully paid shares

	No.	31 December 2020 \$	No.	31 December 2019 \$
Ordinary shares of \$1 each	<u>102</u>	<u>102</u>	<u>102</u>	<u>102</u>

#### 10 Dividends

	31 December 2020 \$ 000	31 December 2019 \$ 000
Dividend of \$515,381.00 (2019 - \$245,099.00) per ordinary share	52,569	25,000

#### 11 Parent and ultimate parent undertaking

The company's immediate holding company is BlackRock UK (Alpha) Limited and the ultimate parent company and controlling party is BlackRock, Inc. a company incorporated in the State of Delaware in the United States of America. The parent company of the largest and smallest group that includes the company and for which group accounts are prepared is BlackRock, Inc. Copies of the group financial statements are available upon request from the Investor Relations website at [www.blackrock.com](http://www.blackrock.com) or requests may be addressed to Investor Relations at 55 East 52nd Street, New York, NY10055, USA or by email at [invrel@blackrock.com](mailto:invrel@blackrock.com).