Jupiter Flexible Macro Fund

Annual Report & Accounts

For the year ended 31 October 2023

JUPITER

Contents

These collectively comprise the Authorised Fund Manager's Report.

Fund Information

Manager, Registrar and Administrator

Jupiter Unit Trust Managers Limited
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Chelmsford
CM99 2BG

Tel: **0800 561 4000**
Fax: **0800 561 4001**
www.jupiteram.com

Registered Address:
The Zig Zag Building
70 Victoria Street
London SW1E 6SQ

Authorised and regulated by the Financial Conduct Authority.

Trustee

Northern Trust Investor Services Limited
Trustee and Depositary Services
50 Bank Street
Canary Wharf
London E14 5NT

Authorised and regulated by the Financial Conduct Authority.

Investment Adviser

Jupiter Asset Management Limited
The Zig Zag Building
70 Victoria Street
London SW1E 6SQ

Authorised and regulated by the Financial Conduct Authority.

Independent Auditors

PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Directors

The Directors of Jupiter Unit Trust Managers Limited are:

P Moore
J Singh
T Scholefield
P Wagstaff*
D Skinner
G Pound**
J Leach***

**Resigned 5 January 2024*
***Appointed 8 February 2023*
****Appointed 14 September 2023*

It is the intention of Jupiter Unit Trust Managers Limited to make this Report & Accounts available on their website. The maintenance and integrity of the Jupiter Unit Trust Managers Limited website is the responsibility of the Directors; the work carried out by the auditors of the Jupiter Flexible Macro Fund does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Fund Information *(continued)*

Fund Closure

The Fund closed and merged into the Jupiter Global Macro Bond Fund on 29 September 2023 and ceased trading on this date.

As a result of the merger, there are no assets attributable to unitholders.

Investment Objective

Was to provide a positive total return, net of fees, higher than SONIA GBP independent of market conditions over a 3-year rolling period.

Capital invested in the Fund was at risk and there was no guarantee that the investment objective was to be achieved over the 3 year rolling periods or in respect of any other time period.

Investment Policy

The Fund could have invested in a wide range of assets to achieve its investment objective, including shares of companies, fixed interest securities and entering into derivative transactions for investment purposes. The Investment Manager sought to identify global investment themes and opportunities through a macro-economic driven investment process involving analysis of large-scale economic trends, including economic fundamentals (such as growth, inflation, manufacturing, industrial production and consumer spending), monetary and fiscal policy, and market sentiment.

The Fund may have entered into derivative transactions for investment (i.e. speculative) purposes, such as creating both long and short positions through derivatives, and efficient portfolio management (including hedging), i.e. to reduce risk, minimise costs or generate additional capital and/or income.

Benchmark

The SONIA GBP rate is an industry standard index and is one of the leading representations of the UK Cash Deposit Markets. It is easily accessible and provides a fair reflection of the Investment Manager's investment universe and a good relative measure to assess performance outcomes.

Status

The Fund operated under the Investment Funds Sourcebook (FUND) where applicable and the Collective Investment Schemes Sourcebook (COLL) of the Financial Conduct Authority. The Fund is an authorised unit trust scheme under Section 237 of the Financial Services and Markets Act 2000 and is a UCITS scheme as defined in the COLL rules.

The Fund was a qualifying fund for inclusion within a stocks and shares Individual Savings Account (ISA).

Unit Classes

In addition to the basic class of units which are available to all types of investors, the Fund also offered I-Class Units which were available to investors who invest a minimum of £1,000,000 and J-Class Units which were available to investors who invest a minimum of £500 (who buys units directly from the Manager and not through any intermediary or advisor). Further details are available from the Manager on request. Please note that in order to distinguish between the unit classes within the Fund they are defined in this report as either L-Class Units (non I-Class and non J-Class) or I-Class Units or J-Class Units. The unit types associated with each unit class are disclosed in the Comparative Tables on pages 6 and 7.

Fund Information *(continued)*

Cumulative Performance (% change to 29 September 2023**)

	11 months	3 years	5 years	10 years
Percentage Growth	(2.4)	(19.0)	(38.2)	(30.2)
Sterling Overnight Interbank Average Rate*	3.9	4.9	6.0	8.1

*Source: Morningstar, gross income reinvested net of fees, in GBP. The statistics disclosed above relate to I-Class Units unless otherwise stated. Past performance is no guide to the future. *Target benchmark*

***Last Valuation Point*

Investment Report

Performance Review

The Jupiter Flexible Macro Fund ended trading on 29 September 2023. During the period from 1 November 2022 to 29 September 2023, the Fund returned (2.4)% compared with its benchmark, which returned 3.9%. Jupiter Flexible Macro was merged with the Merian Global Strategic Bond Fund and re-named Jupiter Global Macro Bond Fund.

Market Review

As often happens towards the end of an interest rate cycle, fixed income markets have been through many and rapid rotations in sentiment around the outlook for central bank policy for this year and into 2024. The end of last year and into January 2023 generally saw markets trade in a positive tone around the outlook for central bank policy with bond markets by and large believing that central banks, and the US Federal Reserve in particular, had completed their hiking cycle. The expectation was that this would lead to a slowdown in economic activity into the end of 2023 allowing the possibility that official interest rate levels could start to fall.

In this context, the significant bearishness in bonds seen until October of 2022 was supposed to have ended and bonds looked cheap. Fixed income markets traded with a much better tone and credit spreads generally tightened. This outlook was also reflected in foreign exchange markets where the US Dollar ended its seemingly inexorable rise around October 2023 and subsequently started to weaken. Emerging markets did much better, bolstered by falling yields and a weaker US currency.

However, in February strong US economic data (mainly in the form of very strong US employment data) created a real concern that activity was not going to slow as anticipated, and the global central banks had a lot more work to do. Inflation expectations in the market surged, especially in Europe, and the concerns that “nothing was breaking” led to a significant rise in bond yields during February. Then at the beginning of March it became clear that something had broken as the demise of Silicon Valley Bank (SVB) showed that the stresses in the system were very real. The pressure on other small US banks grew and in Europe the demise and rapid takeover of Credit Suisse caused bond markets to rally again sharply. Since then, the markets have been caught in a trading range pulled between longer term economic concerns and the still elevated level of inflation data and lack of near-term economic weakness in the official data releases.

Policy Review

The rapid change in market sentiment into the early part of 2023 and the fund’s desire to control volatility during this period created the need for regular changes in duration positioning for the fund, meaning that some of the performance was given back as this rotation in positioning took place. Duration estimates the sensitivity of a bond to changes in interest rates. It is measured in years. The longer a bond's duration, the more sensitive it is to interest rate movements. The fund moved into a more positive duration position versus the negative duration in core markets that the fund had run for the majority of 2022; it also reduced the underweight positioning in credit that had been a feature of the fund during 2022. Similarly, the US dollar position that had been almost constantly bullish for 2022, around October turned into a bearish outlook for the US currency. Emerging market exposure remained long in selective sovereign bonds such as those of Mexico and Brazil, and this helped the fund generally over the period. The change in sentiment from January’s recession watch, to February’s concern over data, to the breaking news around SVB caused duration to alter a number of times in the fund and this affected performance.

Investment Report *(continued)*

Investment Outlook

The team believes we will see a slowdown in the US economy leading to weaker growth in the global economy as well. However, this slowdown will be reasonably mild as unemployment rises and we anticipate a relatively quick reaction from central banks as the jobless levels rise and inflation continues to ease. They will look through this cycle and therefore are likely to ease policy before inflation has returned to target. This may create some long-term risks around the inflation profile but will lead to bond markets seeing good performance as yields fall and yield curves steepen from their current extreme inverted shapes. However, as seen from recent data, this is likely to take some time to play out and therefore in the near-term concerns remain around the still elevated inflation levels and solid, if unspectacular, activity levels. Central banks continue to show nervousness around the stubbornly high level of inflation; however, they seem keen to bring the present hiking cycle to an end as soon as the data allows. Therefore, the perspective around economic data and especially labour market data is key in this regard to informing the timing of this cycle. Currently, with unemployment still low and households able to raise wages to at least partially protect against the ravages of inflation then activity isn't slowing quickly enough for central bankers to feel secure in pausing their tightening of policy.

Mark Nash
Investment Manager

Comparative Tables

Change in net asset per unit

	L-Class Accumulation			I-Class Accumulation		
	31.10.23 (p)	31.10.22 (p)	31.10.21 (p)	31.10.23 (p)	31.10.22 (p)	31.10.21 (p)
Opening net asset value per unit	32.55	40.61	38.27	34.73	43.06	40.33
Return before operating charges*	(0.55)	(7.51)	2.94	(0.57)	(7.99)	3.10
Operating charges	(0.40)	(0.55)	(0.60)	(0.25)	(0.34)	(0.37)
Return after operating charges*	(0.95)	(8.06)	2.34	(0.82)	(8.33)	2.73
Distributions on accumulation unit	–	(0.03)	–	–	(0.28)	–
Retained distributions on accumulation unit	–	0.03	–	–	0.28	–
Merger price per unit**	31.60	–	–	33.91	–	–
Closing net asset value per unit	–	32.55	40.61	–	34.73	43.06
*after direct transaction costs of	–	0.04	0.09	–	0.05	0.09
Performance						
Return after charges (%)	(2.92)	(19.85)	6.11	(2.37)	(19.35)	6.77
Other information						
Closing net asset value (£'000)	–	14,369	20,243	–	21,112	41,583
Closing number of units	–	44,148,953	49,851,900	–	60,794,078	96,580,251
Operating charges (%)	1.47	1.47	1.47	0.86	0.86	0.86
Direct transaction costs (%)	–	0.12	0.21	–	0.12	0.21
Prices						
Highest unit price (p)	32.80	42.03	42.56	35.05	44.58	44.93
Lowest unit price (p)	31.60	32.56	37.71	33.91	34.74	39.75

***The Fund closed and merged into the Jupiter Global Macro Bond Fund on 29 September 2023.*

Comparative Tables *(continued)*

Change in net asset per unit	J-Class Accumulation		
	31.10.23 (p)	31.10.22 (p)	31.10.21 (p)
Opening net asset value per unit	32.73	40.74	38.33
Return before operating charges*	(0.56)	(7.56)	2.94
Operating charges	(0.32)	(0.45)	(0.53)
Return after operating charges*	(0.88)	(8.01)	2.41
Distributions on accumulation unit	–	–	–
Retained distributions on accumulation unit	–	–	–
Merger price per unit**	31.85	–	–
Closing net asset value per unit	–	32.73	40.74
*after direct transaction costs of	–	0.04	0.09
Performance			
Return after charges (%)	(2.68)	(19.66)	6.29
Other information			
Closing net asset value (£'000)	–	1,686	2,177
Closing number of units	–	5,151,297	5,343,779
Operating charges (%)	1.20	1.20	1.30
Direct transaction costs (%)	–	0.12	0.21
Prices			
Highest unit price (p)	33.00	42.17	42.65
Lowest unit price (p)	31.85	32.74	37.77

***The Fund closed and merged into the Jupiter Global Macro Bond Fund on 29 September 2023.*

Comparative Tables *(continued)*

Portfolio Turnover Rate

The Portfolio Turnover Rate (PTR) of the Fund, based on the figures included within the financial statements for the period as indicated below, is as follows:

	Period from 01.11.22 to 29.09.23	Year to 31.10.22
Portfolio Turnover Rate	811.49%	327.33%

The PTR provides an indication of the rate the Manager has bought and sold the underlying assets of the Fund during the period as indicated above. In general, the higher the PTR of a fund, the greater level of portfolio transaction costs will be incurred.

Risk and Reward Indicator

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

LOWER RISK								HIGHER RISK
TYPICALLY LOWER REWARDS	1	2	3	**4**	5	6	7	TYPICALLY HIGHER REWARDS

- The lowest category does not mean 'no risk'. Some risk will still be present in funds with a risk and reward rating of 1.
- The Fund is in this category due to the nature of its investments and previous levels of volatility (how much the value of the Fund rises and falls).

Charges

- The charges you paid were used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduced the potential growth of your investment.

Charges taken from the Fund over the year to:	01.11.22 to 29.09.23**	31.10.22*
Ongoing charges for L-Class Units	1.47%	1.47%
Ongoing charges for I-Class Units	0.86%	0.86%
Ongoing charges for J-Class Units	1.20%	1.20%

**With effect from 1 July 2022, the fees charged to the Fund by the Manager have changed. Under the new simplified fee structure, the Manager combined the Annual Management Charge and the Aggregate Operating Fee into a Fixed Annual Charge.*

***The Fund closed and merged into the Jupiter Global Macro Bond Fund on 29 September 2023.*

Portfolio Statement

As at 31 October 2023

Holding	Investment	Market value £	Total net assets %
	Austria - 0.00% (4.28%)	–	–
	Denmark - 0.00% (0.85%)	–	–
	Finland - 0.00% (0.88%)	–	–
	France - 0.00% (1.39%)	–	–
	Germany - 0.00% (2.53%)	–	–
	Ireland - 0.00% (8.15%)	–	–
	Japan - 0.00% (4.43%)	–	–
	Netherlands - 0.00% (0.40%)	–	–
	Norway - 0.00% (0.97%)	–	–
	Switzerland - 0.00% (0.78%)	–	–
	United Kingdom - 0.00% (12.44%)	–	–
	United States - 0.00% (47.48%)	–	–
	DERIVATIVES - 0.00% ((1.38%))		
	Forward Currency Contracts - 0.00% ((0.59%))	–	–
	Futures Contracts - 0.00% ((0.79%))	–	–
	Total value of investments	–	–
	Net other liabilities	–	–
	Net assets	–	–

All holdings are ordinary shares or stock units unless otherwise stated.
The figures in brackets show allocations as at 31 October 2022.
The Fund closed and merged into the Jupiter Global Macro Bond Fund on 29 September 2023.

Summary of Material Portfolio Changes

Significant purchases and sales for the year ended 31 October 2023

Purchases	Cost £	Sales	Proceeds £
United States Treasury Note/Bond 0.125% 15/12/2023	4,299,245	United Kingdom Gilt 0.75% 22/07/2023	4,323,500
United States Treasury Note/Bond 2.75% 31/07/2023	3,745,219	United States Treasury Note/Bond 0.125% 15/12/2023	4,256,487
United States Treasury Note/Bond 0.125% 30/04/2023	3,741,867	United States Treasury Note/Bond 0.125% 30/04/2023	3,660,097
United States Treasury Note/Bond 0.75% 31/12/2023	3,163,352	United States Treasury Note/Bond 2.75% 31/07/2023	3,655,242
French Republic Government Bond AOT 0.75% 25/02/2028	2,899,770	United States Treasury Note/Bond 0.75% 31/12/2023	3,173,318
Deutsche Bundesrepublik Inflation Linked Bond 0.10% 15/04/2026	2,821,519	French Republic Government Bond AOT 0.75% 25/02/2028	2,891,610
Mexican Bonos 8.5% 31/05/2029	2,501,890	Deutsche Bundesrepublik Inflation Linked Bond 0.10% 15/04/2026	2,828,178
Bundesrepublik Deutschland Bundesanleihe 1% 15/08/2024	2,331,619	Mexican Bonos 8.5% 31/05/2029	2,618,469
New Zealand Government Bond 4.5% 15/04/2027	2,025,467	Bundesrepublik Deutschland Bundesanleihe 1% 15/08/2024	2,356,612
Deutsche Bundesrepublik Inflation Linked Bond 0.10% 15/04/2033	1,954,328	Invesco Physical Gold ETC	2,020,610
Subtotal	29,484,276	Subtotal	31,784,123
Total cost of purchases, including the above, for the year	**111,721,845**	**Total proceeds of sales, including the above, for the year**	**142,213,285**

Statement of Authorised Fund Manager's Responsibilities in relation to the Financial Statements of the Scheme

The Financial Conduct Authority's Collective Investment Schemes (COLL) and, where applicable, Investment Funds (FUND) Sourcebooks, as amended (the Sourcebooks) require the Authorised Fund Manager (the 'Manager') to prepare financial statements for each annual accounting period which give a true and fair view of the financial affairs of the Scheme and of its revenue and expenditure for the year. In preparing the financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on a going concern basis, unless it is inappropriate to do so;
- comply with the requirements of the Statement of Recommended Practice for Authorised Funds;
- follow applicable accounting standards; and
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements.

The Manager is responsible for the management of the Scheme in accordance with the Sourcebooks and the Scheme's Trust Deed and Prospectus. The Manager is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Trustee's Responsibilities in relation to the Financial Statements of the Scheme and Report of the Trustee to the Unitholders of the Jupiter Flexible Macro Fund ("the Fund") for the Year Ended 31 October 2023

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

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

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

The Trustee must ensure that:

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

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

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

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

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

Northern Trust Investor Services Limited
Trustee & Depositary Services
London
20 February 2024

Independent auditors' report to the Unitholders of Jupiter Flexible Macro Fund

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Jupiter Flexible Macro Fund (the "Fund"):

- give a true and fair view of the financial position of the Fund as at 31 October 2023 and of the net revenue and the net capital losses on its scheme property for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

We have audited the financial statements, included within the Annual Report & Accounts (the "Annual Report"), which comprise: the Balance Sheet as at 31 October 2023; the Statement of Total Return, and the Statement of Change in Net Assets Attributable to Unitholders for the year then ended; the Distribution Table and the Notes to the Financial Statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to Note 1(a) to the financial statements which describes the Authorised Fund Manager's reasons why the financial statements have been prepared on a basis other than going concern.

Independent auditors' report to the Unitholders of Jupiter Flexible Macro Fund *(continued)*

Reporting on other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on our work undertaken in the course of the audit, the Collective Investment Schemes sourcebook requires us also to report certain opinions as described below.

Authorised Fund Manager's Report

In our opinion, the information given in the Authorised Fund Manager's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Fund Manager for the financial statements

As explained more fully in the Statement of Authorised Fund Manager's Responsibilities in relation to the Financial Statements of the Scheme, the Authorised Fund Manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Fund Manager is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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.

Independent auditors' report to the Unitholders of Jupiter Flexible Macro Fund *(continued)*

Based on our understanding of the Fund/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Fund. Audit procedures performed included:

- Discussions with the Authorised Fund Manager, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Authorised Fund Manager's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the Fund's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent auditors' report to the Unitholders of Jupiter Flexible Macro Fund *(continued)*

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
20 February 2024

Statement of Total Return

For the year ended 31 October 2023

	Note	Year to 31.10.23 £	Year to 31.10.23 £	Year to 31.10.22 £	Year to 31.10.22 £
Income					
Net capital losses	3		(1,697,733)		(10,447,425)
Revenue	4	1,200,579		830,406	
Expenses	5	(293,199)		(538,461)	
Interest payable and similar charges	6	(1,159)		(7,030)	
Net revenue before taxation		906,221		284,915	
Taxation	7	(788)		(61,591)	
Net revenue after taxation			905,433		223,324
Total return before distributions			**(792,300)**		**(10,224,101)**
Distributions	8		(921,706)		(219,974)
Change in net assets attributable to unitholders from investment activities			**(1,714,006)**		**(10,444,075)**

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 31 October 2023

	Year to 31.10.23 £	Year to 31.10.23 £	Year to 31.10.22 £	Year to 31.10.22 £
Opening net assets attributable to unitholders		**37,167,106**		**64,003,111**
Amounts receivable on issue of units	104,727		55,998	
Amounts payable on cancellation of units	(7,113,995)		(16,631,483)	
Amounts payable on in specie transactions*	(28,434,946)		–	
		(35,444,214)		(16,575,485)
Amounts payable from termination		(8,886)		–
Change in net assets attributable to unitholders from investment activities		(1,714,006)		(10,444,075)
Retained distribution on accumulation units		–		183,555
Closing net assets attributable to unitholders		**–**		**37,167,106**

**The Fund closed and merged into the Jupiter Global Macro Bond Fund on 29 September 2023.*

Balance Sheet

As at 31 October 2023

	Note	31.10.23 £	31.10.22 £
Assets			
Fixed assets:			
Investments		–	32,552,312
Current assets:			
Debtors	11	202	365,346
Cash and bank balances	9	679,313	6,744,066
Total assets		679,515	39,661,724
Liabilities			
Investment liabilities		–	(1,627,515)
Creditors:			
Bank overdrafts	10	(657,039)	(728,332)
Other creditors	12	(22,476)	(138,771)
Total liabilities		(679,515)	(2,494,618)
Net assets attributable to unitholders		**–**	**37,167,106**

Directors' Statement

Jupiter Flexible Macro Fund

This report has been prepared in accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook and Investment Funds Sourcebook where applicable and the Statement of Recommended Practice issued by the Investment Association.

Directors: Gaelle Pound, Jasveer Singh
Jupiter Unit Trust Managers Limited
London
20 February 2024

Notes to the Financial Statements

1. Significant Accounting Policies

(a) Basis of Accounting

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, in compliance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook. They have been prepared in accordance with FRS 102 and the Statement of Recommended Practice for Financial Statements of UK Authorised Funds issued by The Investment Management Association (now referred to as the Investment Association) in May 2014 (the 2014 SORP) and amended in June 2017.

Jupiter Unit Trust Managers Limited (JUTM) closed the Fund and merged all of its units into the Jupiter Global Macro Bond Fund on 29 September 2023. All costs associated with the closure have been borne by the authorised fund manager. As such, the financial statements have been prepared on a basis other than going concern. There has been no impact on the financial statements or disclosure notes to adjust assets or liabilities to realisable values.

The accounting policies outlined below have been applied on a consistent basis throughout the year.

(b) Revenue

All dividends from companies/dividends and interest from underlying funds declared ex-dividend during the year ended 31 October 2023 are included in revenue, net of any attributable tax.

Any reported revenue from an offshore fund in excess of any distributions is recognised as revenue after the end of the reporting period, not later than the date when the reporting fund makes this information available.

UK dividends are shown net of any associated tax credits attached to the income.

Bank interest are accrued up to the year end date.

Overseas revenue received after the deduction of withholding tax is shown gross of tax, with the tax consequences shown within the tax charge.

Interest and revenue from bank balances and deposits, fixed interest stocks and other securities are recognized on an accrual basis.

Interest on any debt securities is recognised on an effective interest rate basis.

The Fund holds units or shares in other Collective Investment Schemes and funds (underlying funds). Any periodic charge rebates from underlying funds are recognised on an accruals basis. Where it is the policy of the underlying fund to charge its periodic charge to capital in determining its distribution, the Fund has recognised any such rebates as capital.

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

Special dividends are reviewed on a case by case basis when determining if the dividend is to be treated as revenue or capital. The tax treatment follows the accounting treatment of the principal amount.

(c) Expenses

All expenses, including overdraft interest, but excluding those relating to the purchase and sale of investments, are charged against the revenue of the Fund. All of the Fund's expenses are recognised on an accruals basis.

With effect from 1 July 2022, the fees charged to the fund by the Manager have changed. Under the new simplified fee structure, the Manager combined the Annual Management Charge and the Aggregate Operating Fee into a Fixed Annual Charge.

Notes to the Financial Statements *(continued)*

1. Significant Accounting Policies *(continued)*

(d) Valuation of Investments

For the prior period, the investments of the Fund were valued using bid market values ruling on international stock exchanges at Close of Business on 31 October 2022. Market value is defined by the SORP as fair value which is generally the bid value of each security. All of the investments of the Fund were transferred to the Jupiter Global Macro Bond Fund on 29 September 2023.

Where a stock is unlisted or where there is a non liquid market, a valuation for this stock has been obtained from market makers where possible, and suspended stocks are normally valued at their suspension price. However, where the Manager believes that these prices do not reflect a fair value, or where no reliable price exists for a security, it is valued at a price which in the opinion of the Manager reflects a fair and reasonable price for that investment.

A Valuation and Pricing Committee (VPC) of the Investment Manager is responsible for approving unquoted prices. The VPC meets on a quarterly basis and consists of representatives from various parts of the Investment Manager who act as an independent party, segregated from the fund management function to review and approve fair value pricing decisions and pricing models on a regular basis.

(e) Forward foreign currency contracts

Open forward foreign currency contracts are shown in the portfolio statement at the fair value and the net gains/(losses) are reflected in the Forward currency contracts in the Net capital gains/(losses) on investments.

(f) Foreign Exchange

Transactions in foreign currencies are translated into Sterling at the rates ruling at the dates of the transactions. Assets and liabilities expressed in foreign currencies are translated at the rates ruling at Close of Business on 31 October 2023, being the last valuation point of the year.

(g) Taxation

Corporation Tax is provided at 20% on revenue, other than UK dividends and overseas dividends, after deduction of expenses. Where overseas tax has been deducted from overseas revenue that tax can, in some instances, be set off against Corporation Tax payable, by way of double taxation relief.

The charge for tax is based on the profit for the year and takes into account deferred taxation because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred Tax is provided using the liability method on all timing differences, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred Tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the Deferred Tax can be offset.

Notes to the Financial Statements *(continued)*

2. Distribution Policies

(a) Basis of Distribution

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

If, in respect of a particular accounting period, the average income allocation to unitholders (disregarding, for this purpose, any units held by the Manager or Trustee or their associates) would be less than £25, the Manager reserves the right (with the agreement of the Trustee) not to make any income allocation and, in such an event, the amount of net revenue remaining for that year will be credited to capital and reflected in the value of units.

(b) Distributions Dates

Net revenue, if any, will be distributed to unitholders as a dividend distribution, annually on 31 December in respect of the accounting year ending 31 October.

(c) Unclaimed Distribution

Distributions which have remained unclaimed by Unitholders for more than six years are credited to the capital property of the Fund.

Notes to the Financial Statements *(continued)*

3. Net Capital Losses

The net losses on investments during the year comprise:

	31.10.23 £	31.10.22 £
Currency losses	(633,462)	(304,652)
Transaction charges	–	(18)
Central Securities Depositories Regulation penalty reimbursement	466	10
Losses on non-derivative securities	(1,366,800)	(2,008,716)
Gains/(losses) on forward currency contracts (see Note 15)	597,403	(557,904)
Losses on derivative contracts (see Note 15)	(295,340)	(7,587,834)
Periodic charge rebates	–	11,689
Net capital losses	**(1,697,733)**	**(10,447,425)**

4. Revenue

	31.10.23 £	31.10.22 £
UK dividends	–	35,364
Overseas dividends	4,533	688,582
Bank interest	20,976	4,621
Periodic charge rebates	(140)	16,744
Interest on debt securities	1,175,210	85,095
Total revenue	**1,200,579**	**830,406**

5. Expenses

	31.10.23 £	31.10.22 £
Payable to the Manager, associates of the Manager and agents of either of them:		
Annual management charge	–	308,112
	–	308,112
Other expenses:		
Fixed Annual Charge*	293,199	150,440
Aggregate Operating Fee	–	79,909
	293,199	230,349
Total expenses	**293,199**	**538,461**

*The audit fee (excluding VAT) incurred during the year was £12,663 (31.10.22: £11,206). The current year amount is borne by the Manager as it is paid out of the Fixed Annual Charge.

Notes to the Financial Statements *(continued)*

6. Interest Payable and Similar Charges

	31.10.23 £	31.10.22 £
Interest on bank overdrafts	1,159	7,030
Total interest payable and similar charges	**1,159**	**7,030**

7. Taxation

(a) Analysis of charge in the year:

	31.10.23 £	31.10.22 £
Irrecoverable overseas tax	788	61,591
Total tax charge for the year	**788**	**61,591**

(b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower (2022: higher) than the standard rate of Corporation Tax in the UK for an authorised unit trust. The differences are explained below:

	31.10.23 £	31.10.22 £
Net revenue before taxation	906,221	284,915
Corporation tax of 20% (2022: 20%)	181,244	56,983
Effects of:		
Current year expenses not utilised	(180,545)	83,776
Revenue not subject to taxation	(699)	(143,097)
Irrecoverable overseas tax	788	61,591
Taxable revenue in capital	–	2,338
Non-taxable overseas stock dividends	–	–
Total tax charge for the year	**788**	**61,591**

Authorised unit trusts are exempt from tax on capital gains, therefore any capital return is not included in the above reconciliation.

(c) Provision for Deferred Tax

At 31 October 2023, there are surplus management expenses of £53,140,118 (31.10.22: £54,042,846). It is unlikely the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore a Deferred Tax asset of £10,628,024 (31.10.22: £10,808,569) has not been recognised.

Notes to the Financial Statements *(continued)*

8. Distributions

The distributions take account of amounts received on the issue of units and deducted on the cancellation of units and comprise:

	31.10.23 £	31.10.22 £
Final distribution	–	183,555
	–	183,555
Amounts received on issue of units	(953)	(104)
Amounts paid on cancellation of units	98,333	36,523
Amounts paid on in-specie transactions*	824,326	–
Net distributions for the year	**921,706**	**219,974**
Reconciliation of net revenue after taxation to distributions:		
Net revenue after taxation	905,433	223,324
Tax relief on capitalised expenses	–	2,338
Equalisation on conversions	16,248	148
Net movement in revenue account	25	(25)
Surplus revenue transferred to capital**	–	(5,811)
Net distributions for the year	**921,706**	**219,974**

*The Fund closed and merged into the Jupiter Global Macro Bond Fund on 29 September 2023 with no distributions made to unitholders.

**For the prior year, no distributions have been made in respect of J-Class Units on the grounds of immateriality of net revenue available (as described in Note 2 on page 21).

Details of the distributions in pence per unit for the prior year are shown in the Distribution Table on page 36.

9. Cash and Bank Balances

	31.10.23 £	31.10.22 £
Amounts held at brokers	–	3,193,083
Cash and bank balances	679,313	3,550,983
Total cash and bank balances	**679,313**	**6,744,066**

10. Bank Overdrafts

	31.10.23 £	31.10.22 £
Bank overdraft	657,039	65,692
Amounts due to brokers	–	662,640
Total bank overdrafts	**657,039**	**728,332**

Notes to the Financial Statements *(continued)*

11. Debtors

	31.10.23 £	31.10.22 £
Accrued revenue	202	78,929
Amounts receivable for issue of units	–	5,840
Overseas tax recoverable	–	181,553
Periodic charge rebates receivable	–	140
Sales awaiting settlement	–	98,884
Total debtors	**202**	**365,346**

12. Other Creditors

	31.10.23 £	31.10.22 £
Accrued expenses	–	7,929
Amounts payable for cancellation of units	–	130,842
Amounts payable to Manager	22,476	–
Total other creditors	**22,476**	**138,771**

13. Contingent Assets, Liabilities and Capital Commitments

The Fund had no contingent assets, liabilities or capital commitments at the balance sheet date (31.10.22: £nil).

14. Related Party Transactions

Jupiter Unit Trust Managers Limited (JUTM), as Manager, is a related party in respect of their dealings with the Fund. JUTM acts as principal in respect of all transactions of units in the Fund. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and, if applicable, in Note 8 (Distributions).

Amounts receivable/(payable) from JUTM in respect of issues/cancellations are disclosed in the Statement of Change in Net Assets Attributable to Unitholders. At the year end, a net balance of £nil was payable to JUTM (31.10.22: £125,002 payable to JUTM). These amounts are included in amounts receivable for issue of units in Note 11 (Debtors) and amounts payable for cancellation of units in Note 12 (Other Creditors).

Any amounts due to or from JUTM at the end of the accounting year are disclosed in Notes 11 and 12. Amounts paid to JUTM in respect of fund management and if any rebates/expense waiver received are included in Note 5 (Expenses). At the year end, £nil (31.10.22: £7,927) was payable to JUTM. This amount is included as part of accrued expenses in Note 12.

Where investments are held in other Jupiter products, a rebate could be paid into the Fund. Amounts received from other Jupiter products as management fee rebates are included in Note 3 (Net Capital Gains) and Note 4 (Revenue). At the year end, £nil (31.10.22: £140) was receivable from other Jupiter products. This amount is included as periodic charge rebates receivable in Note 11.

Holdings in other Jupiter products at the year end, which are shown in the portfolio statement on page 9 are valued at £nil (31.10.22: £nil). During the year, the Fund had purchases totalling to £nil and sales proceeds totalling to £nil. There were no outstanding trade transaction at year end (31.10.22: £nil).

Notes to the Financial Statements *(continued)*

14. Related Party Transactions *(continued)*

During the year, £nil of dividends were received (31.10.22: £127,625). At the year end, dividend receivable amounted to £nil (31.10.22: £nil). This amount is included as part of accrued revenue in Note 11.

15. Financial Instruments

In pursuing its investment objectives, the Fund held a number of financial instruments. These comprise securities and other investments, cash balances, bank overdrafts and debtors and creditors that arose directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable from issues and payable for cancellations and debtors for accrued revenue.

The Fund may have entered into derivative transactions, the purpose of which will only be for efficient management of the Fund and not for investment purposes.

The Fund has little exposure to liquidity and cash flow risk. These risks are not significant at current levels. The main risks it faces from its financial instruments are market price, credit, foreign currency, interest rate and counterparty risk. The Manager reviews policies for managing these risks in pursuance of the Investment Objective and Policy as set out on page 2 and they are summarised later. These risks remain unchanged from the prior year.

Adherence to investment guidelines and to investment and borrowing powers set out in the Trust Deed, Scheme Particulars and in the rules of the Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Review and Portfolio Statement.

Market Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held by the Fund. It represents the potential loss the Fund might suffer through holding market positions which are affected by adverse price movements.

The Manager regularly considers the asset allocation of the portfolio in order to minimise the risk associated with particular markets or industry sectors whilst continuing to follow the Investment Objective and Policy (as set out on page 2).

Price Risk Sensitivity

A ten per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £nil (31.10.22: £3,092,480). A ten per cent decrease would have an equal and opposite effect.

Credit Risk

The investment returns produced by the Fund's bond holdings are dependant on the issuers of these bonds maintaining due payment of interest and capital. A significant proportion of the Fund may be invested in high yield bonds which have a lower rating from a credit rating agency. There is a higher credit risk associated with such investments. The Fund aims to reduce this credit risk by holding a well diversified range of securities. In addition, the majority of the bond investments in the portfolio are invested in securities classified as investment grade by independent credit rating agencies.

Notes to the Financial Statements *(continued)*

15. Financial Instruments *(continued)*

Foreign Currency Risk

A substantial proportion of the net assets of the Fund is denominated in currencies other than Sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	31.10.23 £	31.10.22 £
Canadian Dollar	–	583
Danish Kroner	–	160,253
Euro	(4,169)	(801,291)
Japanese Yen	–	50,929
South Korean Won	–	262,575
Norwegian Krone	–	26,227
Swedish Krona	–	7
Swiss Franc	–	(21,935)
US Dollar	22,444	(2,292,813)

Foreign Currency Risk Sensitivity

A ten per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets by £1,828 (31.10.22: £261,546). A ten per cent decrease would have an equal and opposite effect.

Interest Rate Risk

The Fund invests in fixed and variable rate securities and any change to the interest rates relevant for particular securities may result in either revenue increasing or decreasing, or the Manager being unable to secure similar returns on the expiry of contracts or the sale of securities. In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held.

In general, if interest rates rise the revenue potential of the Fund also rises but the value of fixed rate securities will decline. A fall in interest rates will in general have the opposite effect.

Notes to the Financial Statements *(continued)*

15. Financial Instruments *(continued)*

Interest Rate Risk Profile of Financial Assets and Financial Liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31 October was:

Currency	Floating Rate financial assets £	Fixed Rate financial assets £	Financial assets not carrying interest £	Total £
31.10.23				
US Dollar	22,372	–	72	22,444
Sterling	656,941	–	130	657,071
Total	**679,313**	**–**	**202**	**679,515**
31.10.22				
Canadian Dollar	–	–	583	583
Danish Kroner	–	–	469,995	469,995
Euro	–	1,056,466	2,738,340	3,794,806
Japanese Yen	–	–	1,674,372	1,674,372
Norwegian Krone	–	–	367,089	367,089
South Korean Won	169,310	–	93,265	262,575
Swedish Krona	7	–	–	7
Swiss Franc	–	–	290,482	290,482
US Dollar	193,560	1,606,498	19,526,146	21,326,204
Sterling	6,381,189	3,276,867	1,817,555	11,475,611
Total	**6,744,066**	**5,939,831**	**26,977,827**	**39,661,724**

Currency	Floating Rate financial liabilities £	Fixed Rate financial liabilities £	Financial liabilities not carrying interest £	Total £
31.10.23				
Euro	4,169	–	–	4,169
Sterling	652,870	–	22,476	675,346
Total	**657,039**	**–**	**22,476**	**679,515**
31.10.22				
Euro	645,939	–	–	645,939
Japanese Yen	16,700	–	33,401	50,101
US Dollar	–	–	1,353,995	1,353,995
Sterling	65,693	–	378,890	444,583
Total	**728,332**	**–**	**1,766,286**	**2,494,618**

There are no material amounts of non interest-bearing financial assets, which do not have maturity dates, other than equities, and therefore no sensitivity analysis has been disclosed in these financial statements.

The floating rate financial assets and liabilities include bank balances and overdrafts that bear interest. Interest rates on Sterling and overseas bank balances as supplied by the custodian may vary in line with market conditions and the size of deposit. Overdraft interest is calculated at the current Bank of England base rate plus 1.00%.

Notes to the Financial Statements *(continued)*

15. Financial Instruments *(continued)*

Counterparty Risk

Counterparty risk, is the risk that a third party organisation (counterparty) does not pay out on a contract, or other trade or transaction when this is due to the Fund. The derivatives entered into by the Fund fall into either of two categories: i) have been traded on recognised exchanges on a delivery versus payment basis, thus eliminating exposure to counterparty risk, or ii) have been traded on Over the Counter markets which may expose the Fund to the risk that the counterparty may default on its obligations to perform under the relevant contract. In respect of trades made on Over the Counter markets the Manager will seek to reduce such risk by only entering into transactions with counterparties that it believes to have a high credit rating at the time the transaction is entered into, and by ensuring that formal legal agreements covering the terms of the contract are entered into in advance. In certain circumstances however, the Manager may be unable to enforce or rely on rights and obligations arising under such agreements. In the event of bankruptcy or insolvency of the counterparty, the Fund may only have the rights of a general creditor and could therefore experience delays in liquidating the position and may incur significant losses compared to the value of the transaction in the portfolio.

Use of Derivatives

The Manager made use of the following derivatives during the year under review:

Bought Options

The Manager bought Call Options in the prior year to potentially reduce the cost of acquiring exposure to a share in the longer term. This resulted in realised losses of £nil (31.10.22: realised and unrealised losses of £527,937) during the year. All contracts were undertaken with UBS as counterparty in the prior year. There were no outstanding Call Options as at year end.

In order to reduce this risk, collateral may be held by the Fund. The counterparties to these transactions and any collateral held/(pledged) by the Fund at the balance sheet date are shown below:

Counterparty	31.10.23 £	31.10.22 £
HSBC	–	(1,180,000)
Northern Trust	(10,000)	(40,000)
	(10,000)	(1,220,000)

Futures Contracts

The Manager bought some currency/index futures with the aim of protecting the Fund from the risk of currency/index volatility. This resulted in realised losses of £295,340 (31.10.22: realised and unrealised losses of £7,059,897) to the Fund during the year. The positive open exposure to the Fund at the balance sheet date was £nil (31.10.22: £1,094,715). All contracts were undertaken with UBS as counterparty during the year.

Notes to the Financial Statements *(continued)*

15. Financial Instruments *(continued)*

Forward Foreign Currency Contracts

The Manager made use of forward foreign currency contracts during the year in order to hedge out some of the currency exposure in the Fund. This resulted in realised gains of £597,403 to the fund during the year (31.10.22: realised and unrealised losses of £557,904). All contracts were undertaken with HSBC Bank, JP Morgan and Northern Trust as counterparty during the year.

The underlying exposure for forward currency contracts were as follows:

Counterparty	31.10.23 £	31.10.22 £
HSBC Bank	–	19,806
JP Morgan	–	194
Northern Trust	–	1,020
	–	**21,020**

Risk Management

In the interest of best practice, Jupiter has decided to treat all of its funds that are authorised to transact in derivatives for investment purposes as for the purpose of risk management, regardless of their complexity or simplicity. Managing these risks involves a combination of steps, including Value at Risk (VaR) exposure monitoring being undertaken by the teams involved in Jupiter's Derivative Risk Management Process (DRMP).

Leverage

In line with box 25 of ESMA Guidelines, as the Fund uses the VaR approach to monitor the global exposure, the Manager calculates the leverage for the Fund on a daily basis, as the sum of the absolute value of the notionals of the derivatives used. With respect to financial derivative instruments which do not have a notional value attached to them, the calculation of the value is based upon the market value of the equivalent position of the underlying asset that is attached to the financial derivative instrument and applied consistently and appropriately.

	31.10.23	31.10.22
Leverage level reached during the financial year (Average levels as a % of NAV for the year)	269.00%	359.56%

Value at Risk (VaR) for exposure monitoring:

For the Jupiter Flexible Macro Fund, we currently conform to the suggested ESMA limit for a sophisticated fund of an absolute VaR figure of 20%. This is calculated using a 99% confidence level over a 20 day time frame and is calculated daily. The VaR as at 31 October 2023 was 10.52% (31.10.22: 5.33%).

	31.10.23	31.10.22
Maximum	10.52%	16.97%
Minimum	1.04%	3.60%
Average	1.87%	6.58%

Notes to the Financial Statements *(continued)*

15. Financial Instruments *(continued)*

What is VaR?

It estimates the worst potential loss in the portfolio within a certain time period and with a certain amount of confidence, using the following criteria:

- Internal Guidelines: 20% absolute VaR (99% confidence) over 20 day timeframe measured each day
- Holding period: 1 month (20 days)
- Observation period: minimum 1 year (250 days)
- 99% confidence implies a breach of 1 out of every 100 twenty day periods

If VaR approaches its limit the Manager may:

- Diversify the portfolio
- Reduce the gross exposure
- Hedge part of the portfolio
- Reduce exposure to positions with high marginal VaR contribution

16. Fair Value of Investments

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

Basis of valuation	Assets £	Liabilities £
31.10.23		
Level 1	–	–
Level 2	–	–
Level 3	–	–
Total	**–**	**–**

Basis of valuation	Assets £	Liabilities £
31.10.22		
Level 1	31,474,826	(1,387,394)
Level 2	1,077,486	(240,121)
Level 3	–	–
Total	**32,552,312**	**(1,627,515)**

Notes to the Financial Statements *(continued)*

16. Fair Value of Investments *(continued)*

Generally for non-market traded and unquoted securities, where there is no price source from an active market for an investment, the Manager has applied judgement in determining the fair value. The Manager has used several valuation methodologies as prescribed in the International Private Equity and Venture Capital valuation guidelines to arrive at their best estimate of fair value. Valuation techniques used by the Manager are set out in Accounting Policies Note 1(d). The fair value is established by using measures of value such as:

- Price of recent transactions — Management determine the fair value based on the price of recent transactions made by management or a third party.
- Milestone analysis — Management assess the investment company's progress against milestones expected at the time of investment in order to determine whether an adjustment is required to the transaction price to determine fair value.
- Multiples — Earnings or Revenue multiples are selected from comparable public companies based on geographic location, industry, size, risk profile, earnings growth prospects, target markets and other factors that management consider reasonable. A discount for lack of liquidity may then be applied to represent the adjustment to comparable company multiples to reflect the illiquidity of the portfolio companies relative to the comparable peer group. Management determines the discount for lack of liquidity based on its judgement, after considering market liquidity conditions and company specific factors such as the development stage of the portfolio company. One of the most common forms of multiples used for cash generating companies are EV/EBITDA multiples as EBITDA is generally seen to represent a good proxy for free cash flow. These are applied where appropriate based on the development of underlying portfolio companies but other multiples such as EV/Revenue may also be considered.
- Net assets — Management determine the fair value based on the net asset value of the underlying portfolio company.

In applying the above valuation techniques in arriving at the fair value the Manager has assessed any further information available from internal and external sources to arrive at an estimated fair value, which includes but is not limited to the following:

- Reference to listed securities of the same company.
- Consideration of seniority of the securities held and terms of repayment upon realisation.
- Consideration of any trading restrictions on the investment company's shares that would limit Manager's ability to realise its holding.
- Consideration of any outstanding payments to be made by Manager.
- Industry statistics or events (such as mergers and acquisitions).

Notes to the Financial Statements *(continued)*

17. Portfolio Transaction Costs

For the period ended 1 November 2022 to 29 September 2023

	Equities £	%	Bonds £	Total £
29.09.23				
Analysis of total purchases costs				
Purchases in year before transaction costs	3,965		111,717,880	111,721,845
Commissions	–	0.00	–	–
Expenses and other charges	–	0.00	–	–
	–		–	–
Purchases including transaction costs	3,965		111,717,880	111,721,845
Analysis of total sales costs				
Sales in year before transaction costs	25,548,698		116,665,606	142,214,304
Commissions	(644)	0.00	–	(644)
Expenses and other charges	(375)	0.00	–	(375)
	(1,019)		–	(1,019)
Sales net of transaction costs	25,547,679		116,665,606	142,213,285

Commissions and expenses and other charges as % of average net assets:

Commissions	0.00%
Expenses and other charges	0.00%

The average portfolio dealing spread as at the balance sheet date was 0.00%.

The Fund had paid £nil as commission on purchases and sale derivative transactions for the period from 1 November 2022 to 29 September 2023.

Notes to the Financial Statements *(continued)*

17. Portfolio Transaction Costs *(continued)*

For the year ended 31 October 2022

	Equities £	%	Bonds £	Funds £	Total £
31.10.22					
Analysis of total purchases costs					
Purchases in year before transaction costs	64,564,577		12,030,122	309,529	76,904,228
Commissions	16,658	0.03	–	–	16,658
Expenses and other charges	15,762	0.02	–	–	15,762
	32,420		–	–	32,420
Purchases including transaction costs	64,596,997		12,030,122	309,529	76,936,648
Analysis of total sales costs					
Sales in year before transaction costs	82,491,528		14,064,065	5,520,076	102,075,669
Commissions	(21,904)	0.03	–	–	(21,904)
Expenses and other charges	(2,797)	0.00	–	–	(2,797)
	(24,701)		–	–	(24,701)
Sales net of transaction costs	82,466,827		14,064,065	5,520,076	102,050,968

Commissions and expenses and other charges as % of average net assets:

Commissions	0.08%
Expenses and other charges	0.04%

The average portfolio dealing spread as at the balance sheet date was 0.18%.

The Fund had paid £nil as commission on purchases and sale derivative transactions for the year ended 31 October 2022.

Notes to the Financial Statements *(continued)*

18. Unitholders' Funds

The Fund has the following unit classes in issue, with the following charges and minimum initial investment levels:

Unit Class	Initial Charge	Fixed Annual Charge	Minimum Initial investment
L-Class Units	0.00%	1.47%	£500
I-Class Units	0.00%	0.855%	£1,000,000
J-Class Units	0.00%	1.195%	£500

Revenue and other expenses, not included in the table above, are allocated each day pro rata to the value of the assets attributable to each unit class and taxation is calculated by reference to the net revenue after expenses attributable to each unit class. Due to the varying expenses, the level of net revenue after expenses attributable to each unit class and the distributable revenue is likely to differ.

The Net Asset Value per unit and the number of units in each class are given in the Comparative Tables on pages 6 and 7. All unit classes have the same rights on winding up.

Reconciliation of Units	L-Class Accumulation	I-Class Accumulation	J-Class Accumulation
Opening number of units at 1 November 2022	44,148,953	60,794,078	5,151,297
Units issued in year	157,097	107,303	55,024
Units cancelled in year	(9,029,408)	(93,939,766)	(5,179,358)
Units converted in year	(35,276,642)	33,038,385	(26,963)
Closing number of units at 31 October 2023	–	–	–

Distribution Table

For the period from 1 November 2022 to 29 September 2023*

FINAL

Group 1: Units purchased prior to 1 November 2022
Group 2: Units purchased on or after 1 November 2022 to 29 September 2023

	Income	Equalisation	Distribution accumulated 29.12.23	Distribution accumulated 30.12.22
L-Class Accumulation Units	pence per unit	pence per unit	pence per unit	pence per unit
Group 1	–	–	–	0.0324
Group 2	–	–	–	0.0324

	Income	Equalisation	Distribution accumulated 29.12.23	Distribution accumulated 30.12.22
I-Class Accumulation Units	pence per unit	pence per unit	pence per unit	pence per unit
Group 1	–	–	–	0.2784
Group 2	–	–	–	0.2784

	Income	Equalisation	Distribution accumulated 29.12.23	Distribution accumulated 30.12.22
J-Class Accumulation Units	pence per unit	pence per unit	pence per unit	pence per unit
Group 1	–	–	–	–
Group 2	–	–	–	–

**The Fund closed and merged into the Jupiter Global Macro Bond Fund on 29 September 2023.*

All Unit Types

The relevant information required by a corporate unitholder is as follows:

- Franked investment income 100.00%
- Annual payment 0.00%
  (non-foreign element)

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

General Information (unaudited)

UCITS V Remuneration Qualitative Disclosures

Decision-making process to determine remuneration policies

Under the Jupiter's Group's framework ultimate responsibility in remuneration matters is held by the Board of Directors of Jupiter Fund Management Plc. The Board is supported in remunerated-related issues by the Remuneration Committee ("RemCo").

The Board is responsible for establishing the Group Remuneration Policy, and with support of the RemCo regularly reviewing the Group Remuneration Policy to meet any important regulatory developments and the objectives of the Group.

The RemCo is delegated with the role of supporting the Board in setting remuneration guidelines, establishing share-based remuneration plans, and approving the aggregate variable remuneration expenditure of the Group as well as determining and proposing to the Board the individual total remuneration payable to the members of the Board (other than its chairman) for approval. The RemCo ensures that the Remuneration Policy and practices across the Group operate in line with EU regulations that apply to its regulated entities and delegates.

The RemCo regularly reports to the Board on the status of its activities, the development of the remuneration architecture within the Group as well as on the operational implementation of this Policy. The RemCo consists of at least three members of the Board all of whom are Non-Executive Directors.

Jupiter's remuneration philosophy is aligned with the Group's pre-incentive operating profit as well as its tolerance for risk. The Group's approach provides for remuneration that attracts and retains employees in each local market and motivates them to contribute to the development and growth of its business. The policy promotes sound and effective risk management and does not encourage inappropriate risk taking.

Link between pay and performance

As described above, Jupiter operates a Group-wide remuneration policy, which applies to all employees across the Group.

Jupiter ensures that any measurement of performance used to evaluate the quantum of variable remuneration elements or pools of variable remuneration elements:

- includes adjustments for current and future risks, taking into account the cost and quantity of the capital and the liquidity required;
- takes into account the need for consistency with the timing and likelihood of the firm receiving potential future revenues incorporated into current earnings;
- is based on the performance of the Group, the individual and the relevant function / business unit or in the case of a fund manager, the fund(s), where financial and non-financial criteria are considered when assessing individual performance; and
- is set within a multi-year framework to ensure that the assessment process is based on longer term performance and associated risks, and to ensure that payment is spread over an appropriate period.

General Information (unaudited) *(continued)*

Material Risk Takers

The categories of staff for inclusion as Material Risk Takers for JUTM include:

- Executive and non-executive members of the Board
- Other members of senior management
- Staff responsible for control functions

The Material Risk Takers are identified and reviewed on an annual basis by the relevant entities and the RemCo in line with the criteria set out under EU regulations, namely:

If, in the performance of their professional activities certain staff of a delegate portfolio manager can have a material impact on the risk profiles of the funds they manage, these employees are considered as "Identified Staff". For this purpose, the Group considers the respective delegate portfolio manager as subject to equally effective regulation if they are required by law and regulations or in accordance with internal standards to put in place a remuneration policy, which in accordance to the ESMA Remuneration Guidelines is considered equivalent in its objectives. The Group's regulated entities will only delegate its portfolio management to firms, whose remuneration policy complies with the 'equivalence standard' as described.

In line with ESMA Guidelines, proportionality is considered taking into account the following factors:

- The percentage of assets under management;
- Total assets under management; and
- The average ratio between its fixed and variable remuneration paid to staff.

It should be noted that despite use of proportionality, the Group's compensation arrangements involve high levels of deferral, payment in shares and performance adjustment provisions on commercial and risk management grounds.

Further details in relation to the Qualitative disclosures are included in the Group Remuneration Policy.

General Information (unaudited) *(continued)*

Quantitative disclosures

The remuneration data provided below reflects amounts paid in respect of the performance year 2022 in relation to the funds managed by JUTM.

As at 31 December 2022, JUTM had GBP 27.3 billion assets under management consisting of 34 authorised Unit Trust, 12 sub-funds within 2 Open-Ended Investment Companies and 2 Investment Trusts.

Total annual remuneration paid to all Management Company employees (as per breakdown below):	
Of which fixed:	n/a
Of which variable:	n/a
Number of Management Company employees:	
Total remuneration paid to Identified Staff of the Management Company:	£8,678,282
Of which paid to Senior Management:	£2,755,669
Of which paid to other Identified Staff:	£5,922,613
Number of Identified Staff:	23
Total annual remuneration paid to employees in delegate(s):	£10,337,391
Of which fixed:	£1,344,131
Of which variable:	£8,993,260
Number of beneficiaries:	6

Notes

Remuneration for Material Risk Takers includes remuneration paid to employees of other group companies performing senior management functions for the Management Company.

Remuneration for Material Risk Takers includes remuneration paid to employees of other group companies who perform fund management activities on behalf of the Management Company under the terms of a delegation agreement between the Management Company and their employer. The remuneration disclosed for these employees is the proportion of their total remuneration for the fund management activities they perform under a delegation agreement.

In the figures above, fixed remuneration relates to salary and pension benefits and variable remuneration includes the annual bonus including any long-term incentive awards.

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

Due to the increasing complexity of the business (i.e., Merian transaction), the information that is needed to provide a further breakdown of remuneration is not readily available and would not be relevant or reliable.

Implementation of the remuneration policy for the Group is subject to an annual independent review. No material outcomes or irregularities were identified as a result of the most recent independent review, which took place in 2022.

General Information (unaudited) *(continued)*

Tax Information Reporting

UK tax legislation requires fund managers to provide information to HMRC on certain investors who purchase units in unit trusts. Accordingly, the Fund may have to provide information annually to HMRC on the tax residencies of those unitholders that are tax resident out with the UK, in those countries that have signed up to the OECD's ('Organisation for Economic Cooperation and Development') Common Reporting Standard for Automatic Exchange of Financial Account Information (the 'Common Reporting Standard'), or the United States (under the Foreign Account Tax Compliance Act, 'FATCA').

All new unitholders that invest in the Fund must complete a certification form as part of the application form. Existing unitholders may also be contacted by the Registrar should any extra information be needed to correctly determine their tax residence.

Failure to provide this information may result in the account being reported to HMRC.

For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – **information for account holders: gov.uk/government/publications/exchange-of-information-account-holders.**

Value Assessment

The Assessment of Value report for Jupiter Flexible Macro Fund, contained within a Composite Report on each of Jupiter's Unit Trusts is published annually on the Document Library at **www.jupiteram.com** within 4 months of the reference date 31 March.

General Information (unaudited) *(continued)*

Advice to Unitholders

In recent years, investment related scams have become increasingly sophisticated and difficult to spot. We are therefore warning all our unitholders to be cautious so that they can protect themselves and spot the warning signs.

Fraudsters will often:

- contact you out of the blue
- apply pressure to invest quickly
- downplay the risks to your money
- promise tempting returns that sound too good to be true
- say that they are only making the offer available to you
- ask you to not tell anyone else about it

You can avoid investment scams by:

- **Rejecting unexpected offers** – Scammers usually cold call but contact can also come by email, post, word of mouth or at a seminar. If you have been offered an investment out of the blue, chances are it's a high risk investment or a scam.
- **Checking the FCA Warning List** – Use the FCA Warning List to check the risks of a potential investment. You can also search to see if the firm is known to be operating without proper FCA authorisation.
- **Getting impartial advice** – Before investing get impartial advice and don't use an adviser from the firm that contacted you.

If you are suspicious, report it:

- You can report the firm or scam to the FCA by contacting their Consumer Helpline on **0800 111 6768** or using their online reporting form.
- If you have lost money in a scam, contact **Action Fraud** on **0300 123 2040** or **www.actionfraud.police.uk**

For further helpful information about investment scams and how to avoid them please visit **www.fca.org.uk/scamsmart**

Responsible Stewardship

Jupiter believes that responsible stewardship is an important issue and aims to act in the best interests of all its stakeholders by engaging with the companies that it invests in, and by exercising its voting rights with care. We believe companies with high standards of corporate responsibility, governance and sustainable business practices create an appropriate culture to enhance good investment performance. **Jupiter's Corporate Governance and Voting Policy** and its compliance with the **UK Stewardship Code**, together with supporting disclosure reports are available at **www.jupiteram.com**.

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