

Jupiter Merlin Growth Portfolio

For the year ended 31 August 2019

ANNUAL

Report & Accounts



ON THE PLANET TO PERFORM


JUPITER

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*These collectively comprise the Authorised Fund Manager's Report

Fund Information

Manager, Registrar and Administrator

Jupiter Unit Trust Managers Limited

PO Box 10666

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.

Directors

The Directors of Jupiter Unit Trust Managers Limited are:

R Corfield

P M Moore

J Singh

N Ring*

K Baillie**

T Scholefield**

P Wagstaff***

*Resigned 31 May 2019

**Independent. Appointed 1 May 2019

***Appointed 31 July 2019

Trustee

National Westminster Bank plc (Prior to 1 June 2019)

Trustee and Depositary Services

Floor 1

280 Bishopsgate

London EC2M 4RB

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and by the Prudential Regulation Authority.

Northern Trust Global Services SE (UK branch)

(From 1 June 2019)

50 Bank Street

Canary Wharf

London E14 5NT

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and by the Prudential Regulation 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

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 Merlin Growth Portfolio 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)

Investment Objective

To achieve long-term capital growth.

Investment Policy

To invest predominantly in unit trusts, OEIC's, Exchange Traded Funds and other collective investment schemes across several management groups. The underlying funds invest in international equities, fixed interest stocks, commodities and property with a core in the UK.

The Manager has the power to use derivatives but it is intended that these will only be used for efficient portfolio management and not for investment purposes.

Status

The Fund operates 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 Non UCITS Retail Scheme (NURS) as defined in the COLL rules. It is in the 'Flexible Investment' Investment Association sector.

The Fund is a qualifying fund for inclusion within a stocks and shares Individual Savings Account (ISA). It is the Manager's intention to continue to manage the affairs of the Fund in order to meet the qualifying requirements as outlined in current legislation.

Unit Classes

In addition to the basic class of units which are available to all types of investors, the Fund also offers I-Class units which are available to investors who invest a minimum of £5,000,000. 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 Retail Units (non I-Class) or I-Class Units. The unit types associated with each unit class are disclosed in the Comparative Tables on page 5.

Fund Accounting Services

With effect from 16 September 2019 responsibility for performing fund accounting services moved from HSBC Securities Services (UK) Limited to Northern Trust Global Services SE.

Cumulative Performance (% change to 31 August 2019)

	1 year	3 years	5 years	10 years	Since launch
Percentage growth	7.9	31.6	62.6	159.5	937.1
Sector position	15/151	12/126	7/114	7/73	1/4
Quartile ranking	1st	1st	1st	1st	1st

Source: FE, I-Class Units, NAV to NAV or bid to NAV dependent on the period of reporting, all performance is net of fees with net income reinvested. Past performance is no guide to the future. *The Jupiter Merlin Growth Portfolio was managed by John Chatfield-Roberts and his team at Lazard from 1 May 1997 until March 2001. In March 2002 the management of the Fund was fully transferred to Jupiter Unit Trust Managers Limited under the same management team.

This document is for informational purposes only and is not investment advice. Market and exchange rate movements can cause the value of an investment to fall as well as rise, and you may get back less than originally invested. We recommend you discuss any investment decisions with a financial adviser, particularly if you are unsure whether an investment is suitable. Jupiter is unable to provide investment advice. Current tax levels and reliefs will depend on your individual circumstances and are subject to change in the future. **Charges tend to be higher than for conventional Unit Trusts to allow for a portion of the charges applicable to underlying funds. This Fund can invest more than 35% of its value in securities issued or guaranteed by an EEA state.** For definitions please see the glossary at jupiteram.com. Every effort is made to ensure the accuracy of any information provided but no assurances or warranties are given. Company examples are for illustrative purposes only and are not a recommendation to buy or sell. Quoted yields are not guaranteed and may change in the future. Jupiter Unit Trust Managers Limited is authorised and regulated by the Financial Conduct Authority and their registered address is The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ.

ANNUAL REPORT

Jupiter Merlin Growth Portfolio

For the year ended 31 August 2019

Investment Report

Performance Review

For the year ended 31 August 2019, the total return on the units was 7.9%* compared with 2.0%* for the IA Flexible Investment Sector average and 5.5%* for the FTSE WMA Stock Market Growth Index, in sterling terms. The fund ranked 15th out of 151 funds over one year, 12th out of 126 funds over three years, 7th out of 114 funds over five years and over ten years was ranked 7th out of 73 funds with a return of 159.5%*, compared with 101.8%* for the IA Flexible Sector average and 146.2%* for the FTSE WMA Stock Market Growth Index. In every period recorded above, the fund ranks in the top quartile.

*Source: FE, NAV to NAV or bid to NAV dependent on the period of reporting, all performance is net of fees with net income reinvested. The statistics disclosed above relate to I-Class Units unless otherwise stated.

Market Review

The broad-based US S&P 500 equity index stood at 2901 on 1 September 2018; a year later, at 31 August 2019, the close of the period under review, its value was almost identical at 2926. If the inference is that the period was dull and uneventful, the reality was anything but that. Between the end of August 2018 and Christmas Eve the index fell 19%, followed by a significant rebound of nearly a quarter, such that by the end of July 2019 a new all-time high of 3020 was reached, followed by a pause for breath.

The global economy continues to decelerate, President Trump's simmering trade war, not only with China but virtually any major economy with a trade surplus with the US, taking its toll on confidence. An Emerging Market crisis as the economies of Venezuela and Turkey fell over was defused, though the recent collapse in Argentina shows us that the danger is far from over. China has slowed too, though thanks to mitigating actions by the Chinese authorities, including allowing the Yuan to devalue, it may yet achieve growth this year of around 6%; in comparison to its major competitors it would be an outstanding result, but in the context of Chinese economic history, it's the slowest rate of growth in a generation. In the Eurozone, Italy is in recession, Germany is virtually in one, and France is sclerotic.

Against this backdrop, after a period of tightening monetary policy by raising interest rates and/or scaling back Quantitative Easing (QE) (their bond purchasing programmes), central banks have had to revert to taking remedial action to prevent global growth slipping away to nothing.

Policy Review

Activity in the period has been limited. In February we sold Merian UK Midcap Fund and reinvested the proceeds in our existing holding in TB Wise Evenlode Income Fund. The Portfolio remains substantially invested in equity funds with liquidity uppermost in our minds.

We continue to monitor the Portfolio's exposure to exchange rates, and, if necessary, will hedge our overseas exposure back to sterling. No such hedges were in place at the period end.

Investment Outlook

Despite headlines forecasting the possibility of recession, the global economy is still estimated to grow by around 2.5% this year. That's rather slower than 3.2% recorded in 2018 and within that headline number, Developed Markets will struggle to achieve 1.7%, against 2.3% last year.

While equity markets have appeared sanguine, the behaviour of bond markets suggests that fixed income investors are taking a much more pessimistic view and have been fleeing to the safest havens available, buying the bonds of those countries and companies that are least likely to default. As they have done so, pushing prices up and yields down, at the period end some \$17 trillion, or over a quarter, of global sovereign debt offered a guaranteed negative rate of return. But there is a subtext: bond yields and central bank base rates are correlated and, as investors drive yields ever further down leaving central banks trailing in their wake, they expect such behaviour will force central banks to cut interest rates in sympathy. It's a power-play over who is really driving monetary policy: central bankers? Or the markets?

Investment Report (continued)

The US Federal Reserve, having already signalled a lack of commitment to further tightening in January, subsequently reduced interest rates in July. While Chairman Powell described it as a 'mid-cycle policy adjustment' (and a single quarter point cut seems pointlessly absurd, a mere gesture), markets are expecting more. The European Central Bank (ECB) is in an even more difficult position: with base rates already negative and only just having curtailed QE in December 2018, such is the concern over the prospects for the Eurozone economy that since the period end President Draghi has already reduced the deposit rate of minus 0.4% even lower to minus 0.5% and announced the reintroduction of QE at the rate of €20bn per month from 1 November. Almost running up the white flag, he effectively admitted that his ECB is running out of ammunition to help, fiscal policy (i.e. governments spending tax-payers' money) must render assistance.

In the UK it's difficult to avoid the subject of Brexit and the continuing shambles at Westminster. We are interested in Brexit but not obsessed with it. The Jupiter Merlin Growth Portfolio is a global fund and Brexit is just one among many important factors to be considered.

Jupiter Independent Funds Team

Comparative Tables

Change in net assets per unit

	Retail Income			I-Class Income		
	31.08.19	31.08.18	31.08.17	31.08.19	31.08.18	31.08.17
Opening net asset value per unit	419.66p	387.47p	348.95p	441.49p	405.37p	363.66p
Return before operating charges*	35.12p	39.04p	44.91p	37.15p	40.97p	46.94p
Operating charges	(7.10p)	(6.85p)	(6.39p)	(4.23p)	(4.06p)	(3.78p)
Return after operating charges*	28.02p	32.19p	38.52p	32.92p	36.91p	43.16p
Distributions on income unit	0.00p	0.00p	0.00p	(1.84p)	(0.79p)	(1.45p)
Closing net asset value per unit	447.68p	419.66p	387.47p	472.57p	441.49p	405.37p
*after direct transaction costs of:	0.00p	0.01p	0.08p	0.00p	0.01p	0.09p

Performance

Return after charges	6.68%	8.31%	11.04%	7.46%	9.11%	11.87%
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Other information

Closing net asset value (£'000)	59,261	71,607	79,812	85,070	86,517	84,785
Closing number of units	13,237,369	17,063,176	20,598,294	18,001,401	19,596,639	20,915,136
Operating charges	2.47%	2.47%	2.49%	1.72%	1.72%	1.74%
Direct transaction costs	0.00%	0.00%	0.02%	0.00%	0.00%	0.02%

Prices

Highest unit price	458.04p	429.87p	413.64p	484.27p	445.69p	411.44p
Lowest unit price	374.90p	374.94p	342.47p	395.35p	392.61p	357.03p

Change in net assets per unit

	Retail Accumulation			I-Class Accumulation		
	31.08.19	31.08.18	31.08.17	31.08.19	31.08.18	31.08.17
Opening net asset value per unit	431.81p	398.69p	359.05p	454.69p	416.73p	372.50p
Return before operating charges*	36.14p	40.16p	46.21p	38.37p	42.14p	48.10p
Operating charges	(7.31p)	(7.04p)	(6.57p)	(4.36p)	(4.18p)	(3.87p)
Return after operating charges*	28.83p	33.12p	39.64p	34.01p	37.96p	44.23p
Distributions on accumulation unit	0.00p	0.00p	0.00p	(1.90p)	(0.81p)	(1.49p)
Retained distributions on accumulation unit	0.00p	0.00p	0.00p	1.90p	0.81p	1.49p
Closing net asset value per unit	460.64p	431.81p	398.69p	488.70p	454.69p	416.73p
*after direct transaction costs of:	0.00p	0.01p	0.09p	0.00p	0.01p	0.09p

Performance

Return after charges	6.68%	8.31%	11.04%	7.48%	9.11%	11.87%
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Other information

Closing net asset value (£'000)	589,718	643,234	715,588	1,084,235	1,101,879	1,056,721
Closing number of units	128,020,058	148,962,072	179,486,307	221,862,656	242,338,643	253,576,232
Operating charges	2.47%	2.47%	2.49%	1.72%	1.72%	1.74%
Direct transaction costs	0.00%	0.00%	0.02%	0.00%	0.00%	0.02%

Prices

Highest unit price	471.30p	442.32p	425.60p	499.68p	458.50p	421.96p
Lowest unit price	385.75p	385.79p	352.39p	407.17p	403.38p	365.70p

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 year as indicated below, is as follows:

	Year to 31.08.19	Year to 31.08.18
Portfolio Turnover Rate	2.63%	7.54%

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.

Typically lower rewards, lower risk ← → Typically higher rewards, higher risk

Retail Units

1	2	3	4	5	6	7
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I-Class Units

1	2	3	4	5	6	7
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- 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 pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

Charges taken from the Fund over the year to:	31.08.19	31.08.18
Ongoing charges for Retail Units	2.47%	2.47%
Ongoing charges for I-Class Units	1.72%	1.72%

Portfolio Statement

As at 31 August 2019

Holding	Investment	Market value £	Total net assets %
UK Equity Funds – 21.30% (22.70%)			
8,000,000	Jupiter UK Growth Fund†	22,605,600	1.24
123,000,000	Jupiter UK Special Situations Fund†	225,717,300	12.41
56,000,000	TB Wise Evenlode Income Fund	139,081,600	7.65
		387,404,500	21.30
US Equity Funds – 35.43% (32.04%)			
5,630,000	Findlay Park American Fund	592,609,713	32.59
29,000,000	Jupiter North American Income Fund†	42,276,200	2.33
7,000,000	M&G North American Value Fund	9,324,700	0.51
		644,210,613	35.43
European Equity Funds – 2.77% (4.72%)			
75,000,000	Schroder European Alpha Income Fund	50,370,000	2.77
Far East Equity Funds – 6.19% (6.17%)			
18,000,000	Invesco Asian Fund	50,877,000	2.80
7,800,000	Stewart Investors Asia Pacific Leaders Fund	61,623,120	3.39
		112,500,120	6.19
Japanese Equity Funds – 5.77% (6.17%)			
25,500,000	CF Morant Wright Japan Fund	104,945,250	5.77
Specialist Funds – 6.05% (4.27%)			
920,000	ETFS Physical Gold	110,043,437	6.05
Overseas Equity Funds – 21.85% (20.08%)			
72,000,000	Fundsmith Equity Fund	317,707,200	17.47
37,000,000	M&G Global Dividend Fund	79,538,900	4.38
		397,246,100	21.85
	Total value of investments	1,806,720,020	99.36
	Net other assets	11,563,753	0.64
	Net assets	1,818,283,773	100.00

The figures in brackets show allocations as at 31 August 2018.

†Represents an investment in a Jupiter Investment Management Group Limited product.

Summary of Material Portfolio Changes

All the purchases and sales for the year ended 31 August 2019

Purchases	Cost £	Sales	Proceeds £
TB Wise Evenlode Income Fund	66,264,000	Merian UK Mid Cap Fund	64,800,000
		Findlay Park American Fund	42,348,418
		Schroder European Alpha Income Fund	28,660,380
		Jupiter UK Growth Fund	22,057,250
		Fundsmith Equity Fund	21,166,320
		M&G North American Value Fund	8,340,500
		M&G Global Dividend Fund	6,315,300
		CF Morant Wright Japan Fund	5,411,770
		Stewart Investors Asia Pacific Leaders Fund	2,946,720
		Invesco Asian Fund	2,783,200
Subtotal	66,264,000	Subtotal	204,829,858
Total cost of purchases, including the above, for the year	66,264,000	Total cost of sales, including the above, for the year	204,829,858

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

The Trustee must ensure that the Scheme 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 Scheme and its investors.

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

The Trustee must ensure that:

- the Scheme's cash flows are properly monitored and that cash of the Scheme is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of units are carried out in accordance with the Regulations;

- the value of units of the Scheme are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Scheme's assets is remitted to the Scheme within the usual time limits;
- the Scheme's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager (the 'AFM') are carried out (unless they conflict with the Regulations).

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

A copy of the Report of Trustee is set out below.

Report of the Trustee

Jupiter Merlin Growth Portfolio

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

- has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Scheme's units and the application of the Scheme's

revenue in accordance with the Regulations and the Scheme Documents; and

- has observed the investment and borrowing powers and restrictions applicable to the Scheme.

Northern Trust Global Services SE (UK branch)

Trustee & Depositary Services

London

22 October 2019

Independent Auditors' Report to the Unitholders of the Jupiter Merlin Growth Portfolio

Report on the audit of the financial statements

Opinion

In our opinion, the Jupiter Merlin Growth Portfolio's financial statements:

- give a true and fair view of the financial position of the Fund as at 31 August 2019 and of the net revenue and the net capital gains of 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 and Accounts ('the Annual Report'), which comprise: the Balance Sheet as at 31 August 2019; the Statement of Total Return and the Statement of Change in Net Assets Attributable to Unitholders for the year then ended; the distribution tables; 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.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the Authorised Fund Manager's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the Authorised Fund Manager has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Fund's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Fund's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the Fund's business and the wider economy.

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.

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.

Independent Auditors' Report to the Unitholders of the Jupiter Merlin Growth Portfolio (continued)

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 set out on page 9, 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 intend to wind up or terminate the Fund, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the 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.

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 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
22 October 2019

Statement of Total Return

For the year ended 31 August 2019

	Note	Year to 31.08.19		Year to 31.08.18	
		£	£	£	£
Income					
Net capital gains	3		115,248,725		161,516,515
Revenue	4	24,380,470		21,491,575	
Expenses	5	(22,043,849)		(23,889,417)	
Interest payable and similar charges		(10)		(18,229)	
Net revenue/(expense) before taxation		2,336,611		(2,416,071)	
Taxation	6	–		–	
Net revenue/(expense) after taxation			2,336,611		(2,416,071)
Total return before distributions			117,585,336		159,100,444
Distributions	7		(4,742,180)		(2,144,922)
Change in net assets attributable to unitholders from investment activities			112,843,156		156,955,522

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 31 August 2019

		Year to 31.08.19		Year to 31.08.18	
		£	£	£	£
Opening net assets attributable to unitholders			1,903,237,402		1,936,905,827
Amounts receivable on issue of units	11,216,107			7,110,682	
Amounts payable on cancellation of units	(213,298,456)			(199,722,747)	
			(202,082,349)		(192,612,065)
Change in net assets attributable to unitholders from investment activities			112,843,156		156,955,522
Retained distribution on accumulation units			4,285,564		1,988,118
Closing net assets attributable to unitholders			1,818,283,773		1,903,237,402

Balance Sheet

As at 31 August 2019

	Note	31.08.19 £	31.08.18 £
Assets			
Investments		1,806,720,020	1,830,040,208
Current Assets:			
Debtors	8	4,200,034	5,235,396
Cash and bank balances		13,488,801	79,446,393
Total assets		1,824,408,855	1,914,721,997
Liabilities			
Creditors:			
Bank overdrafts		(3,342,438)	(7,850,320)
Distribution payable		(189,447)	(95,514)
Other creditors	9	(2,593,197)	(3,538,761)
Total liabilities		(6,125,082)	(11,484,595)
Net assets attributable to unitholders		1,818,283,773	1,903,237,402

Directors' Statement

Jupiter Merlin Growth Portfolio

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: Paula Moore, Rupert Corfield

Jupiter Unit Trust Managers Limited
London
22 October 2019

Notes to the Financial Statements

For the year ended 31 August 2019

1. 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 FRS102 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).

As stated in the Statement of Authorised Fund Managers' Responsibilities in relation to the financial statements of the Scheme on page 9, the Manager continues to adopt the going concern basis in the preparation of the financial statements of the Fund.

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

(b) Revenue

All dividends and interest from underlying funds declared ex-dividend during the year ended 31 August 2019 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. Bank interest and interest on short-term deposits are accrued up to the year end date.

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.

(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 accrual basis.

(d) Valuation of Investments

The investments of the Fund have been valued using bid market values ruling on international stock exchanges at Close of Business on 30 August 2019, being the last valuation point of the year. Market value is defined by the SORP as fair value which is generally the bid value of each security.

The investments of the Fund in other Jupiter Unit Trusts which are single priced have been valued at the single price at Close of Business on 30 August 2019. For investments in other Collective Investment Schemes, they are valued at the bid price for dual priced funds and at the single price for single priced funds as defined by the SORP as being their respective fair value.

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.

Notes to the Financial Statements (continued)

1. Accounting Policies – continued

(e) 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 30 August 2019, being the last valuation point of the year.

(f) 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.

(g) Equalisation

Equalisation received from underlying funds is treated as capital of the Fund.

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 period will be credited to capital and reflected in the value of units.

(b) Distributions Dates

Net revenue, if any, will be distributed or accumulated to unitholders as a dividend distribution, semi-annually on 30 April (interim) and 31 October (final) in respect of the accounting periods ending 28 February (interim) and 31 August (final).

Notes to the Financial Statements (continued)

3. Net capital gains

The net gains on investments during the year comprise:

	31.08.19 £	31.08.18 £
Currency (losses)/gains	(316,011)	49,061
Transaction charges	(970)	(1,310)
Gains on non-derivative securities*	113,892,930	148,545,859
Gains on forward foreign currency contracts (see Note 12)**	–	10,372,460
Periodic charge rebates	1,672,776	2,550,445
Net capital gains	115,248,725	161,516,515

	£	£
Gains on non-derivative securities*		
Realised gains	21,709,247	85,398,937
Unrealised gains	92,183,683	63,146,922
	113,892,930	148,545,859

**Gains on forward currency contracts (see Note 12)	£	£
Realised gains	–	10,372,460
	–	10,372,460

Where realised gains/losses include gains/losses arising in previous periods, a corresponding gain/loss is included in unrealised gains/losses.

4. Revenue

	31.08.19 £	31.08.18 £
UK dividends (franked) from authorised ICVCs and unit trusts	19,093,738	17,372,441
Overseas dividends from authorised ICVCs and unit trusts	1,044,838	205,728
Bank interest	75,436	68,305
Deposit interest	4,743	–
Periodic charge rebates	4,161,715	3,845,101
Total revenue	24,380,470	21,491,575

Notes to the Financial Statements (continued)

5. Expenses

	31.08.19 £	31.08.18 £
Payable to the Manager, associates of the Manager and agents of either of them:		
Manager's periodic charge	18,125,390	19,702,636
Registration fees	3,712,928	3,972,872
	<u>21,838,318</u>	<u>23,675,508</u>
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Trustee's fee	151,084	158,511
Safe custody fees	42,580	43,848
	<u>193,664</u>	<u>202,359</u>
Other expenses:		
Audit fee*	11,742	11,400
Financial Conduct Authority fee	125	150
	<u>11,867</u>	<u>11,550</u>
Total expenses	<u>22,043,849</u>	<u>23,889,417</u>

*The audit fee (excluding VAT) incurred during the year was £9,785 (31.08.18: £9,500).

6. Taxation

(a) Analysis of charge in the year:

	31.08.19 £	31.08.18 £
Corporation Tax	–	–
Total tax charge for the year	<u>–</u>	<u>–</u>

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

The tax assessed for the year is lower (2018 higher) than the standard rate of Corporation Tax in the UK for an authorised unit trust. The differences are explained below:

	31.08.19 £	31.08.18 £
Net revenue/(expense) before taxation	2,336,611	(2,416,071)
Corporation Tax at 20%	467,322	(483,214)
Effects of:		
Current year expenses not utilised	3,225,838	3,488,759
Revenue not subject to taxation	(4,027,715)	(3,515,634)
Taxable income reflected in capital	334,555	510,089
Current tax charge for the year	<u>–</u>	<u>–</u>

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 August 2019 there are surplus management expenses of £196,271,399 (31.08.18: £180,142,210). It is unlikely the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore a Deferred Tax asset of £39,254,280 (31.08.18: £36,028,442) has not been recognised.

Notes to the Financial Statements (continued)

7. Distributions

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

	31.08.19 £	31.08.18 £
Interim distribution	2,023,238	834,597
Final distribution	2,599,319	1,309,631
	4,622,557	2,144,228
Amounts received on issue of units	(10,210)	(1,336)
Amounts paid on cancellation of units	129,833	2,030
Net distributions for the year	4,742,180	2,144,922
Reconciliation of net revenue/(expense) after taxation to Distributions:		
Net revenue/(expense) after taxation for the year	2,336,611	(2,416,071)
Tax relief on capitalised expenses	334,555	510,089
Equalisation on conversions	30,341	102,250
Net movement in revenue account	16	23
Transfer from capital for revenue deficit*	2,040,657	3,948,631
Net distributions for the year	4,742,180	2,144,922

*No final distribution will be paid to holders of Retail Income and Retail accumulation units as there was an excess of expenses over revenue in respect of these unit classes for the current and prior year. The deficit has been covered by a transfer from the capital of the Fund.

Details of the distributions in pence per unit are shown in the Distribution Tables on page 25 and 26.

8. Debtors

	31.08.19 £	31.08.18 £
Accrued revenue	3,575,525	4,694,561
Amounts receivable for issue of units	287,659	150,440
Periodic charge rebates receivable	336,850	390,395
Total debtors	4,200,034	5,235,396

9. Other creditors

	31.08.19 £	31.08.18 £
Accrued expenses	576,248	549,335
Amounts payable for cancellation of units	2,016,949	2,989,426
Total other creditors	2,593,197	3,538,761

Notes to the Financial Statements (continued)

10. Contingent Assets, Liabilities and Capital Commitments

The Fund had no contingent assets, liabilities or capital commitments at the balance sheet date (31.08.18: £nil).

11. 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 7 (Distributions).

Amounts receivable/(payable) from/to JUTM in respect of issues/cancellations are disclosed in the Statement of Change in Net Assets Attributable to Unitholders. At the year end the net balance of £1,729,290 due to JUTM (31.08.18: £2,838,986 due to JUTM). These amounts are included in Amounts receivable for issues of units in Note 8 and Amounts payable for cancellation of units in Note 9.

Any amounts due to or from JUTM at the end of the accounting year are disclosed in Notes 8 (debtors) and 9 (other creditors). Amounts payable to JUTM in respect of fund management are disclosed in Note 5 (expenses). At the year end £452,959 (31.08.18: £431,986) was due to JUTM. These amounts are included in accrued expenses in Note 9.

In relation to note 8 (debtors), the amount receivable on periodic charge rebates £336,850 (31.08.18: £390,395) includes £102,285 (31.08.18: £101,640) relating to rebates on the periodic charge of the following Jupiter Fund:

Jupiter UK Growth Fund, Jupiter UK Special Situations Fund, Jupiter North American Income Fund.

Holdings in other Jupiter products at the year-end, which are displayed in the portfolio statement on page 7 are valued at £290,599,100 (31.08.18: £333,644,400).

Throughout the year the fund has received dividends from other Jupiter products valued at £6,370,615 (31.08.18: £5,182,834).

In the year the fund had no purchases in other Jupiter products and sales proceeds in other Jupiter products of £22,057,250 (31.08.18: £20,196,800).

12. Financial Instruments

In pursuing its investment objectives the Fund invests in other funds, which in turn, will invest in a number of financial instruments. The Fund, and the underlying funds, can also invest in securities and other investments and hold cash balances, short term fixed deposits, bank overdrafts and debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for cancellations and debtors for accrued revenue.

The Fund may enter 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 credit, liquidity, counterparty and cash flow risk. These risks are not significant at current levels. The main risks it faces from its financial instruments are market price, foreign currency and interest rate 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.

Notes to the Financial Statements (continued)

12. Financial Instruments – continued

Leverage

In accordance with the requirements under the Alternative Investments Fund Managers Directive (AIFMD), the leverage employed by the Fund as at 31 August 2019 was 1:1 (31.08.18: 1:1) as determined using the Gross method and 1:1 (31.08.18: 1:1) as determined using the Commitment method.

Average leverage on a gross exposure basis is calculated by taking the sum of the notional values of the derivatives used by the Fund, without netting, and is expressed as a ratio of the Fund's net asset value. Average leverage on a commitment basis is calculated by netting the sum of the notional values of the derivatives and expressing it as a ratio of the Fund's net asset value.

Disclosed in the table below is the level of leverage employed by the Fund.

Gross exposure		Commitment exposure	
Maximum limit	Average leverage employed during the period from 1 September 2018 to 31 August 2019	Maximum limit	Average leverage employed during the period from 1 September 2018 to 31 August 2019
2:1	1:1	2:1	1:1

Gross exposure		Commitment exposure	
Maximum limit	Average leverage employed during the period from 1 September 2017 to 31 August 2018	Maximum limit	Average leverage employed during the period from 1 September 2017 to 31 August 2018
2:1	1:1	2:1	1:1

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 £180,672,002 (31.08.18: £183,004,021). A ten per cent decrease would have an equal and opposite effect.

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.

	31.08.19	31.08.18
Currency	Total £	Total £
US Dollar	702,653,150	631,882,928

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 £70,265,315 (31.08.18: £63,188,293). A ten per cent decrease would have an equal and opposite effect.

Notes to the Financial Statements (continued)

12. Financial Instruments – continued

Interest Rate Risk

The Fund holds various cash positions and any change to the interest rates relevant for particular positions may result in either revenue increasing or decreasing.

Interest Rate Risk Profile of Financial Assets and Financial Liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31.08.19 was:

Currency	Floating Rate financial assets £	Financial assets not carrying interest £	Total £
31.08.19			
US Dollar	–	702,653,150	702,653,150
Sterling	13,488,801	1,108,266,904	1,121,755,705
Total	13,488,801	1,810,920,054	1,824,408,855
31.08.18			
US Dollar	–	631,882,928	631,882,928
Sterling	79,446,393	1,203,392,676	1,282,839,069
Total	79,446,393	1,835,275,604	1,914,721,997

Currency	Floating Rate financial liabilities £	Financial liabilities not carrying interest £	Total £
31.08.19			
Sterling	3,342,438	2,782,644	6,125,082
Total	3,342,438	2,782,644	6,125,082
31.08.18			
Sterling	7,850,320	3,634,275	11,484,595
Total	7,850,320	3,634,275	11,484,595

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%.

Use of Derivatives

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

Forward Foreign Currency Contracts

The Manager made use of forward foreign currency contracts during the previous period in order to hedge out some of the currency exposure in the Fund but has not made use of them in the current period. Therefore, there is no gain or loss to the Fund during the current period (31.08.18: realised gain of £10,372,460). All contracts were undertaken with Northern Trust as counterparty during the previous period.

There were no open positions at the year end.

Notes to the Financial Statements (continued)

12. Financial Instruments – continued

Fair Value of Financial Assets and Financial Liabilities

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
31.08.19	£	£
Level 1	110,043,437	–
Level 2	1,696,676,583	–
Level 3	–	–
	<u>1,806,720,020</u>	<u>–</u>
31.08.18	£	£
Level 1	81,322,408	–
Level 2	1,748,717,800	–
Level 3	–	–
	<u>1,830,040,208</u>	<u>–</u>

13. Portfolio Transaction Costs

For the year ended 31 August 2019

	Funds £	%	Total £
Analysis of total purchases costs			
Purchases in year before transaction costs	66,264,000		66,264,000
Commissions	–	–	–
Taxes	–	–	–
Expenses and other charges	–	–	–
	<u>–</u>		<u>–</u>
Gross purchases total	<u>66,264,000</u>		<u>66,264,000</u>
Analysis of total sales costs			
Sales in year before transaction costs	204,829,858		204,829,858
Commissions	–	–	–
Taxes	–	–	–
Expenses and other charges	–	–	–
	<u>–</u>		<u>–</u>
Sales net of transaction costs	<u>204,829,858</u>		<u>204,829,858</u>

Commission, taxes and expenses as % of average net assets

Commission 0.00%

Taxes 0.00%

Expenses 0.00%

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

Notes to the Financial Statements (continued)

13. Portfolio Transaction Costs – continued

For the year ended 31 August 2018

	Funds £	%	Total £
Analysis of total purchases costs			
Purchases in year before transaction costs	66,909,700		66,909,700
Commissions	–	–	–
Taxes	–	–	–
Expenses and other charges	–	–	–
	–		–
Gross purchases total	66,909,700		66,909,700
Analysis of total sales costs			
Sales in year before transaction costs	282,734,361		282,734,361
Commissions	–	–	–
Taxes	(17,411)	(0.01%)	(17,411)
Expenses and other charges	(35,173)	(0.01%)	(35,173)
	(52,584)		(52,584)
Sales net of transaction costs	282,681,777		282,681,777

Commission, taxes and expenses as % of average net assets

Commission 0.00%

Taxes 0.00%

Expenses 0.00%

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

Notes to the Financial Statements (continued)

14. Unitholders' Funds

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

Unit Class	Initial Charge	Manager's periodic charge	Minimum initial investment
Retail Units	0.00%	1.50%	£500
I-Class Units	0.00%	0.75%	£5,000,000

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 page 5. All unit classes have the same rights on winding up.

Reconciliation of Units	Retail Income	Retail Accumulation	I-Class Income	I-Class Accumulation
Opening units at 1 September 2018	17,063,176	148,962,072	19,596,639	242,338,643
Units issued in year	276,115	943,151	585,917	733,282
Units cancelled in year	(3,929,477)	(18,315,876)	(2,366,717)	(24,561,896)
Units converted in year	(172,445)	(3,569,289)	185,562	3,352,627
Closing units at 31 August 2019	13,237,369	128,020,058	18,001,401	221,862,656

Distribution Tables

For the six months ended 28 February 2019

Distribution in pence per unit

INTERIM

Group 1: units purchased prior to 1 September 2018

Group 2: units purchased on or after 1 September 2018 to 28 February 2019

	Income	Equalisation	Distribution paid 30.04.19	Distribution paid 30.04.18
I-Class Income Units				
Group 1	0.7903	–	0.7903	0.2992
Group 2	0.2817	0.5086	0.7903	0.2992

	Income	Equalisation	Distribution accumulated 30.04.19	Distribution accumulated 30.04.18
I-Class Accumulation Units				
Group 1	0.8140	–	0.8140	0.3072
Group 2	0.3249	0.4891	0.8140	0.3072

There was insufficient revenue to make any distributions/accumulations to holders of Retail Units for the six months ended 28 February 2019 and 28 February 2018.

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.

Distribution Tables (continued)

For the year ended 31 August 2019

Distribution in pence per unit

FINAL

Group 1: units purchased prior to 1 March 2019

Group 2: units purchased on or after 1 March 2019 to 31 August 2019

	Income	Equalisation	Distribution payable 31.10.19	Distribution paid 31.10.18
I-Class Income Units				
Group 1	1.0524	–	1.0524	0.4874
Group 2	0.2167	0.8357	1.0524	0.4874

	Income	Equalisation	Distribution to be accumulated 31.10.19	Distribution accumulated 31.10.18
I-Class Accumulation Units				
Group 1	1.0862	–	1.0862	0.5010
Group 2	0.2605	0.8257	1.0862	0.5010

There was insufficient revenue to make any distributions/accumulations to holders of Retail Units for the year ended 31 August 2019 and 31 August 2018.

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)

Remuneration

Under the requirements of the Alternative Investment Fund Managers Directive ('AIFMD'), Jupiter Unit Trust Managers Limited ('JUTM') (part of the Jupiter Group, which comprises Jupiter Fund Management plc and all of its subsidiaries ('Jupiter')) is required to comply with certain disclosure and reporting obligations for funds that are considered to be Alternative Investment Funds. This includes Jupiter Merlin Growth Portfolio (the 'Fund').

Jupiter operates a Group-wide remuneration policy, which applies to all employees across the Group. All employees are incentivised in a similar way and are rewarded according to personal performance and Jupiter's success. Details of the remuneration policy, including the applicable financial and non-financial criteria, are set out in the detailed remuneration policy disclosures available via the following link:

<https://www.jupiteram.com/corporate/Governance/Risk-management>

Remuneration decisions are governed by Jupiter's Remuneration Committee (the 'Committee'), which meets on a regular basis to consider remuneration matters across the Group. In order to avoid conflicts of interest, the Committee comprises independent non-executive directors, and no individual is involved in any decisions regarding their own remuneration.

JUTM's Board includes two independent Non Executive Directors who are remunerated directly by the company. No other members of the Board receive remuneration from JUTM and are instead remunerated directly by their employing entity in the Jupiter Group. JUTM does not employ any other staff. In the interests of transparency, Jupiter has apportioned the total employee remuneration paid to all 562 Jupiter staff in respect of JUTM's AIFMD duties performed for the AIFs on a 'number of funds' basis. It has estimated that the total amount of employee remuneration paid in respect of duties for the Fund is £1,043,762 of which £435,041 is fixed remuneration and £608,721 is variable remuneration.

The aggregate total remuneration paid to AIFMD Identified Staff that is attributable to duties for the Fund is £530,158 of which £107,183 is paid to Senior Management and £422,975 is paid to other staff. It should be noted that the aforementioned Identified Staff also provide services to other companies within Jupiter and its clients. They are included because their professional activities are considered to have a material impact on the risk profile of the Fund.

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.

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**

Jupiter continues to monitor developments in the Brexit negotiations and Jupiter's overarching aim is to ensure continuity of its business for all of its clients, and plans are in place to manage risks associated with Brexit, both 'hard' and 'soft'.

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**

Other Information

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