Starhunter Investments Fund

Annual Report

for the period 14 April 2023 to 31 July 2024

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Starhunter Investments Fund

Report of the Authorised Corporate Director ('ACD')

Evelyn Partners Fund Solutions Limited ('EPFL'), as ACD, presents herewith the Annual Report for Starhunter Investments Fund for the period from 14 April 2023 to 31 July 2024.

Starhunter Investments Fund ('the Company' or 'the Fund') is an authorised open-ended investment company with variable capital ('ICVC') further to an authorisation order dated 22 February 2023. The Company is incorporated under registration number IC141864. It is a UCITS scheme complying with the investment and borrowing powers rules in the Collective Investment Schemes sourcebook ('COLL'), as published by the Financial Conduct Authority ('FCA').

The Company has been set up as an umbrella company. Provision exists for an unlimited number of sub-funds to be included within the umbrella and additional sub-funds may be established by the ACD with the agreement of the Depositary and the approval of the FCA. The sub-funds represent segregated portfolios of assets and, accordingly, the assets of a sub-fund belong exclusively to that sub-fund and shall not be used or made available to discharge (indirectly or directly) the liabilities of claim against, any other person or body, and any other sub-fund and shall not be available for any such purpose.

The ACD is of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the accounts as the assets of the Company consist predominantly of securities which are readily realisable and, accordingly, the Company has adequate financial resources to continue in operational existence for the foreseeable future. Further, appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of these accounts and applicable accounting standards have been followed.

The Financial Stability Board ('FSB') created the Task Force on Climate-related Financial Disclosures ('TCFD') to improve and increase reporting of climate-related financial information. EPFL have produced TCFD reports in compliance with the FCA's rules on climate-related financial disclosures. The TCFD Product report is designed to help you understand the impact the Company has on the climate and equally how climate change could influence the performance of the Company. The report will also give you the ability to compare a range of climate metrics with other funds. To understand the governance, strategy, and risk management that EPFL has in place to manage the risks and opportunities related to climate change, please refer to the TCFD Entity report. These reports are available on our website https://www.evelyn.com/services/fund-solutions/tcfd-reporting/.

The shareholders are not liable for the debts of the Company.

The Company has no Directors other than the ACD.

The Instrument of Incorporation can be inspected at the offices of the ACD.

Copies of the Prospectus and Key Investor Information Document ('KIID') are available on request free of charge from the ACD.

Cross holdings

At the period end no sub-fund held shares in any other sub-fund within the umbrella.

Sub-funds

There are currently two sub-funds available in the Company:

Starhunter Fund 1

Starhunter Fund 2

Investment objective and policy

The investment objectives and policies of each sub-fund are disclosed within the Investment Manager's report of the individual sub-funds.

Report of the Authorised Corporate Director (continued)

Changes affecting the Company in the period

There were no fundamental or significant changes to the Company in the period.

Further information in relation to the Company is illustrated on page 61.

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes sourcebook, we hereby certify the Annual Report on behalf of the ACD, Evelyn Partners Fund Solutions Limited.

Neil Coxhead
Director
Evelyn Partners Fund Solutions Limited
28 October 2024

Statement of the Authorised Corporate Director's responsibilities

The Collective Investment Schemes sourcebook ('COLL') published by the FCA, requires the Authorised Corporate Director ('ACD') to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Company and of the net revenue and net capital gains on the scheme property of the Company for the period.

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for the Financial Statements of UK Authorised Funds ('the SORP') issued by The Investment Association in May 2014 and amended in June 2017;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so;
- 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;
- taking reasonable steps for the prevention and detection of fraud and irregularities; and
- the maintenance and integrity of the Company's information on the ACD's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

COLL also requires the ACD to carry out an Assessment of Value on the Company and publish these assessments within the Annual Report.

The ACD is responsible for the management of the Company in accordance with the Instrument of Incorporation, the Prospectus and COLL.

Assessment of Value - Starhunter Fund 1

In line with the provisions contained within COLL 6.6.20R, the Board of Evelyn Partners Fund Solutions Limited ('EPFL') as Authorised Corporate Director ('ACD'), has carried out an Assessment of Value for Starhunter Fund 1 ('the sub-fund'). Furthermore, the rules require that EPFL publishes these assessments.

A high-level summary of the outcome of EPFL's rigorous review of the sub-fund for the period ended 31 July 2024, using the seven criteria set by the FCA is set out below:

1. Quality of Service	
2. Performance	
3. ACD Costs	
4. Economies of Scale	
5. Comparable Market Rates	
6. Comparable Services	
7. Classes of Shares	
Overall Rating	

EPFL has adopted a traffic light system to show how it rated the sub-fund:

On balance, the Board believes the sub-fund has delivered value to shareholders, with no material issues noted.

On balance, the Board believes the sub-fund has delivered value to shareholders, but may require some action.

On balance, the Board believes the sub-fund has not delivered value to shareholders and significant remedial action is now planned by the Board.

How EPFL assessed each of the seven criteria and the rating arrived at are discussed in greater detail on the following pages.

EPFL has created an Assessment of Value Committee ('AVC'), for the review, challenge and approval of all funds' Assessments of Value. Ultimately the assessments will be subject to scrutiny by the Board (which includes independent directors) to ensure the outcomes of the assessments are clear and fair, before final sign-off by the chair of the Board prior to communicating to investors if the sub-fund has delivered value, and if not, where improvements need to be made.

In carrying out the assessment, the EPFL AVC has separately considered, the following seven criteria stipulated by the FCA. The Committee may also have considered other issues where it was deemed appropriate.

EPFL believes the Assessment of Value can make it easier for investors to both evaluate whether the sub-fund is providing them with value for money and make more informed decisions when choosing investments.

The seven criteria are:

(1) Quality of service – the quality of every aspect of the service provided, including, for example, accounting, administration, customer services and communications;

(2) Performance – how the sub-fund performed, including whether it met targets and objectives, kept to relevant policy, followed relevant principles, kept to reasonable timescales;

(3) ACD costs – the fairness and value of the sub-fund's costs, including entry and exit fees, early redemption fees, administration charges;

(4) Economies of scale – how costs have been or can be reduced as a result of increased assets-under-management ('AUM'), and whether or not those savings have been passed on to investors;

(5) Comparable market rates – how the costs of the sub-fund compare with others in the marketplace;

(6) Comparable services – how the charges applied to the sub-fund compare with those of other funds administered by EPFL;

(7) Classes of shares – the appropriateness of the classes of shares in the sub-fund for investors.

Assessment of Value - Starhunter Fund 1 (continued)

1. Quality of Service

What was assessed in this section?

Internal Factors

EPFL, as ACD, has overall responsibility for the sub-fund. The Board assessed, amongst other things: the day-to-day administration of the sub-fund; the maintenance of scheme documentation (such as prospectuses and key investor information documents ('KIIDs')); the pricing and valuation of shares; the calculation of income and distribution payments; the maintenance of accounting and other records; the preparation of annual audited and half-yearly Report & Accounts; the review of tax provisions and submission of tax computations to HMRC; the maintenance of the register of shareholders; the dealing and settlement arrangements and the quality of marketing material sent to shareholders. EPFL delegates the Investment Management of the sub-fund to an Investment Management firm.

The Board reviewed information provided by EPFL's control functions on the adequacy of its internal services, including governance, operations and monitoring. Elements important to the investor experience such as the timely payment of settlement and distribution monies were also reviewed. Over the period, EPFL has been audited by internal and external auditors, the sub-fund's Depositary and various EPFL delegated Investment Managers.

External Factors

The Board assessed the delegate's skills, processes and experience. Also considered were any results from service review meetings as well as the annual due diligence performed by EPFL on the delegated Investment Manager, Stanhope Capital LLP, where consideration was given to, amongst other things, the delegate's controls around the sub-fund's liquidity management.

The Board also considered the nature, extent and quality of administrative and shareholder services performed under separate agreements covering depositary services, custodians, as well as services provided with regard to both audit and legal functions.

What was the outcome of the assessment?

Internal Factors

The Board recognised that all distribution and settlement monies were paid in a timely manner and that there were no significant findings as a result of the various audits performed on EPFL during the period. In addition, EPFL has performed its own independent analysis, using automated systems, of the sub-fund's liquidity. The Board concluded that EPFL had carried out its duties diligently.

External Factors

The Board concluded that the nature, extent and quality of the services provided by the external parties have benefitted and should continue to benefit the sub-fund and its shareholders.

Were there any follow up actions?

There were no follow-up actions required.

2. Performance

What was assessed in this section?

The Board reviewed the performance of the sub-fund, after the deduction of all payments out of the scheme property as set out in the Prospectus. Performance, against its benchmark, was considered over appropriate timescales having regard to the sub-fund's investment objective, policy and strategy. The Board also considered whether an appropriate level of market risk had been taken.

Investment Objective

The investment objective of the sub-fund is to achieve capital growth over the long term (being a 7 to 10 year period).

Benchmark

As ACD, EPFL is required to explain in a fund's scheme documentation why a benchmark is being used or alternatively explain how investors should assess performance of a fund in the absence of a benchmark.

Assessment of Value - Starhunter Fund 1 (continued)

2. Performance (continued)

Benchmark (continued)

The benchmark for the sub-fund is the ARC Sterling Steady Growth PCI which is a comparator. A 'comparator' benchmark is an index or similar factor against which an Investment Manager invites investors to compare a fund's performance. Details of how the sub-fund had performed against its comparator benchmark over various timescales can be found below.

Cumulative Performance as at 28 June 2024

	Currency	1 year	18/04/2023 to 28/06/2024
ARC Sterling Steady Growth PCI	GBP	10.88%	10.97%
Starhunter Fund 1 GBP Acc	GBX	13.46%	13.80%

Data provided by FE fundinfo. Care has been taken to ensure that the information is correct but FE fundinfo neither warrants, represents nor guarantees the contents of the information, nor does it accept any responsibility for errors, inaccuracies, omissions or any inconsistencies herein.
Performance shown is representative of all share classes.
Performance is calculated net of fees. Past performance is not a guide to future performance.

What was the outcome of the assessment?

The Board assessed the performance of the sub-fund in the period since launch, 18 April 2023, and whilst early signs were encouraging, concluded that it was too early to reach a meaningful conclusion.

The Board found that the sub-fund is investing in the asset classes permitted by the investment policy and that there have been no breaches of the policy in the last 12 months.

Were there any follow up actions?

There were no follow-up actions required.

3. ACD Costs

What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflected the services provided. This included the annual management charge ('AMC'), Depositary/Custodian fees and audit fee. The AMC includes the ACD's periodic charge and the Investment Manager's fee.

The charges should be transparent and understandable to the investor, with no hidden costs.

What was the outcome of the assessment?

The Board received and considered information about each of the sub-fund's costs, and concluded that they were fair, reasonable and were provided on a competitive basis.

Were there any follow up actions?

There were no follow-up actions required.

4. Economies of Scale

What was assessed in this section?

The Board reviewed each separate fee structure and the AUM of the sub-fund to examine the effect on the sub-fund to potential and existing investors should it increase or decrease in value.

What was the outcome of the assessment?

Both the Investment Manager's fee and the ACD fee are a fixed percentage charge meaning there are no opportunities for savings going forward should the sub-fund grow in size.

The ancillary charges of the sub-fund represent 26 basis points[1]. Some of these costs are fixed and as the sub-fund grows in size, may result in a small reduction in the basis point cost of these services.

Were there any follow up actions?

There were no follow-up actions required.

[1] One basis point is equal to 1/100th of 1%, or 0.01%. Figure calculated at interim report, 31 January 2024.

Assessment of Value - Starhunter Fund 1 (continued)

5. Comparable Market Rates

What was assessed in this section?

The Board reviewed the ongoing charges figure ('OCF') of the sub-fund and how those charges affect its returns.

The OCF of the sub-fund was compared against the 'market rate' of similar external funds.

What was the outcome of the assessment?

The OCF of 1.95%[2] was more expensive than those of similar externally managed funds.

The sub-fund does not have a performance fee and EPFL has not charged an entry fee, exit fee or any other event-based fees.

Were there any follow up actions?

There was no further action required as the Board were of the opinion that no element within the OCF gave any cause for concern.

6. Comparable Services

What was assessed in this section?

The Board compared the Investment Manager's fee with those of other funds administered by EPFL having regard to size, investment objectives and policies.

What was the outcome of the assessment?

The Investment Manager's fee compared favourably with other EPFL administered funds displaying similar characteristics.

Were there any follow up actions?

There were no follow-up actions required.

7. Classes of Shares

What was assessed in this section?

The Board reviewed the sub-fund's set-up to ensure that where there were multiple share classes, shareholders were in the correct share class given the size of their holding.

What was the outcome of the assessment?

There is only one share class in the sub-fund, therefore this part of the assessment does not apply.

Were there any follow up actions?

There were no follow-up actions required.

Overall Assessment of Value

Notwithstanding the matter referenced in Section 5, the Board concluded that in the short period since launch, Starhunter Fund 1 had provided value to shareholders.

Dean Buckley

Chairman of the Board of Evelyn Partners Fund Solutions Limited

22 September 2024

Consumer Feedback

On reviewing this Assessment of Value report, we would welcome invaluable feedback from investors via our short questionnaire which can be found online:

https://www.evelyn.com/services/fund-solutions/assessment-of-value/

Investors' views are invaluable to the development and delivery of this report.

Should you be unable to access the questionnaire online please contact us directly on 0141 222 1151 and we will provide you with a paper copy of the questionnaire.

[2] Figure calculated at interim report, 31 January 2024.

Assessment of Value - Starhunter Fund 2

In line with the provisions contained within COLL 6.6.20R, the Board of Evelyn Partners Fund Solutions Limited ('EPFL') as Authorised Corporate Director ('ACD'), has carried out an Assessment of Value for Starhunter Fund 2 ('the sub-fund'). Furthermore, the rules require that EPFL publishes these assessments.

A high-level summary of the outcome of EPFL's rigorous review of the sub-fund for the period ended 31 July 2024, using the seven criteria set by the FCA is set out below:

1. Quality of Service	
2. Performance	
3. ACD Costs	
4. Economies of Scale	
5. Comparable Market Rates	
6. Comparable Services	
7. Classes of Shares	
Overall Rating	

EPFL has adopted a traffic light system to show how it rated the sub-fund:

On balance, the Board believes the sub-fund has delivered value to shareholders, with no material issues noted.

On balance, the Board believes the sub-fund has delivered value to shareholders, but may require some action.

On balance, the Board believes the sub-fund has not delivered value to shareholders and significant remedial action is now planned by the Board.

How EPFL assessed each of the seven criteria and the rating arrived at are discussed in greater detail on the following pages.

EPFL has created an Assessment of Value Committee ('AVC'), for the review, challenge and approval of all funds' Assessments of Value. Ultimately the assessments will be subject to scrutiny by the Board (which includes independent directors) to ensure the outcomes of the assessments are clear and fair, before final sign-off by the chair of the Board prior to communicating to investors if the sub-fund has delivered value, and if not, where improvements need to be made.

In carrying out the assessment, the EPFL AVC has separately considered, the following seven criteria stipulated by the FCA. The Committee may also have considered other issues where it was deemed appropriate.

EPFL believes the Assessment of Value can make it easier for investors to both evaluate whether the sub-fund is providing them with value for money and make more informed decisions when choosing investments.

The seven criteria are:

(1) Quality of service – the quality of every aspect of the service provided, including, for example, accounting, administration, customer services and communications;

(2) Performance – how the sub-fund performed, including whether it met targets and objectives, kept to relevant policy, followed relevant principles, kept to reasonable timescales;

(3) ACD costs – the fairness and value of the sub-fund's costs, including entry and exit fees, early redemption fees, administration charges;

(4) Economies of scale – how costs have been or can be reduced as a result of increased assets-under-management ('AUM'), and whether or not those savings have been passed on to investors;

(5) Comparable market rates – how the costs of the sub-fund compare with others in the marketplace;

(6) Comparable services – how the charges applied to the sub-fund compare with those of other funds administered by EPFL;

(7) Classes of shares – the appropriateness of the classes of shares in the sub-fund for investors.

Assessment of Value - Starhunter Fund 2 (continued)

1. Quality of Service

What was assessed in this section?

Internal Factors

EPFL, as ACD, has overall responsibility for the sub-fund. The Board assessed, amongst other things: the day-to-day administration of the sub-fund; the maintenance of scheme documentation (such as prospectuses and key investor information documents ('KIIDs')); the pricing and valuation of shares; the calculation of income and distribution payments; the maintenance of accounting and other records; the preparation of annual audited and half-yearly Report & Accounts; the review of tax provisions and submission of tax computations to HMRC; the maintenance of the register of shareholders; the dealing and settlement arrangements and the quality of marketing material sent to shareholders. EPFL delegates the Investment Management of the sub-fund to an Investment Management firm.

The Board reviewed information provided by EPFL's control functions on the adequacy of its internal services, including governance, operations and monitoring. Elements important to the investor experience such as the timely payment of settlement and distribution monies were also reviewed. Over the period, EPFL has been audited by internal and external auditors, the sub-fund's Depositary and various EPFL delegated Investment Managers.

External Factors

The Board assessed the delegate's skills, processes and experience. Also considered were any results from service review meetings as well as the annual due diligence performed by EPFL on the delegated Investment Manager, Stanhope Capital LLP where consideration was given to, amongst other things, the delegate's controls around the sub-fund's liquidity management.

The Board also considered the nature, extent and quality of administrative and shareholder services performed under separate agreements covering depositary services, custodians, as well as services provided with regard to both audit and legal functions.

What was the outcome of the assessment?

Internal Factors

The Board recognised that all distribution and settlement monies were paid in a timely manner and that there were no significant findings as a result of the various audits performed on EPFL during the period. In addition, EPFL has performed its own independent analysis, using automated systems, of the sub-fund's liquidity. The Board concluded that EPFL had carried out its duties diligently.

External Factors

The Board concluded that the nature, extent and quality of the services provided by the external parties have benefitted and should continue to benefit the sub-fund and its shareholders.

Were there any follow up actions?

There were no follow-up actions required.

2. Performance

What was assessed in this section?

The Board reviewed the performance of the sub-fund, after the deduction of all payments out of the scheme property as set out in the Prospectus. Performance, against its benchmark, was considered over appropriate timescales having regard to the sub-fund's investment objective, policy and strategy. The Board also considered whether an appropriate level of market risk had been taken.

Investment Objective

The investment objective of the sub-fund is to achieve capital growth over the long term (being a 7 to 10 year period).

Benchmark

As ACD, EPFL is required to explain in a fund's scheme documentation why a benchmark is being used or alternatively explain how investors should assess performance of a fund in the absence of a benchmark.

Assessment of Value - Starhunter Fund 2 (continued)

2. Performance (continued)

Benchmark (continued)

The benchmark for the sub-fund is the ARC Sterling Steady Growth PCI which is a comparator. A ‘comparator’ benchmark is an index or similar factor against which an Investment Manager invites investors to compare a fund's performance. Details of how the sub-fund had performed against its comparator benchmark over various timescales can be found below.

Cumulative Performance as at 28 June 2024

	Currency	1 year	14/04/2023 to 28/06/2024
ARC Sterling Steady Growth PCI	GBP	10.88%	10.97%
Starhunter Fund 2 GBP Acc	GBX	11.44%	11.40%

Data provided by FE fundinfo. Care has been taken to ensure that the information is correct but FE fundinfo neither warrants, represents nor guarantees the contents of the information, nor does it accept any responsibility for errors, inaccuracies, omissions or any inconsistencies herein.
Performance shown is representative of all share classes.
Performance is calculated net of fees. Past performance is not a guide to future performance.

What was the outcome of the assessment?

The Board assessed the performance of the sub-fund in the period since launch, 14 April 2023, and whilst early signs were encouraging, concluded that it was too early to reach a meaningful conclusion.

The Board found that the sub-fund is investing in the asset classes permitted by the investment policy and that there have been no breaches of the policy in the last 12 months.

Were there any follow up actions?

There were no follow-up actions required.

3. ACD Costs

What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflected the services provided. This included the annual management charge (‘AMC’), Depositary/Custodian fees and audit fee. The AMC includes the ACD's periodic charge and the Investment Manager's fee.

The charges should be transparent and understandable to the investor, with no hidden costs.

What was the outcome of the assessment?

The Board received and considered information about each of the sub-fund’s costs, and concluded that they were fair, reasonable and were provided on a competitive basis.

Were there any follow up actions?

There were no follow-up actions required.

4. Economies of Scale

What was assessed in this section?

The Board reviewed each separate fee structure and the AUM of the sub-fund to examine the effect on the sub-fund to potential and existing investors should it increase or decrease in value.

What was the outcome of the assessment?

Both the Investment Manager’s fee and the ACD fee are a fixed percentage charge meaning there are no opportunities for savings going forward should the sub-fund grow in size.

The ancillary charges of the sub-fund represent 28 basis points[1]. Some of these costs are fixed and as the sub-fund grows in size, may result in a small reduction in the basis point cost of these services.

Were there any follow up actions?

There were no follow-up actions required.

[1] One basis point is equal to 1/100th of 1%, or 0.01%. Figure calculated at interim report, 31 January 2024.

Assessment of Value - Starhunter Fund 2 (continued)

5. Comparable Market Rates

What was assessed in this section?

The Board reviewed the ongoing charges figure ('OCF') of the sub-fund and how those charges affect its returns.

The OCF of the sub-fund was compared against the ‘market rate’ of similar external funds.

What was the outcome of the assessment?

The OCF of 1.98%[2] was more expensive than those of similar externally managed funds.

The sub-fund does not have a performance fee and EPFL has not charged an entry fee, exit fee or any other event-based fees.

Were there any follow up actions?

There was no further action required as the Board were of the opinion that no element within the OCF gave any cause for concern.

6. Comparable Services

What was assessed in this section?

The Board compared the Investment Manager’s fee with those of other funds administered by EPFL having regard to size, investment objectives and policies.

What was the outcome of the assessment?

The Investment Manager’s fee compared favourably with other EPFL administered funds displaying similar characteristics.

Were there any follow up actions?

There were no follow-up actions required.

7. Classes of Shares

What was assessed in this section?

The Board reviewed the sub-fund’s set-up to ensure that where there were multiple share classes, shareholders were in the correct share class given the size of their holding.

What was the outcome of the assessment?

There is only one share class in the sub-fund, therefore this part of the assessment does not apply.

Were there any follow up actions?

There were no follow-up actions required.

Overall Assessment of Value

Notwithstanding the matter referenced in Section 5, the Board concluded that in the short period since launch, Starhunter Fund 2 had provided value to shareholders.

Dean Buckley

Chairman of the Board of Evelyn Partners Fund Solutions Limited

22 September 2024

Consumer Feedback

On reviewing this Assessment of Value report, we would welcome invaluable feedback from investors via our short questionnaire which can be found online:

https://www.evelyn.com/services/fund-solutions/assessment-of-value/

Investors' views are invaluable to the development and delivery of this report.

Should you be unable to access the questionnaire online please contact us directly on 0141 222 1151 and we will provide you with a paper copy of the questionnaire.

[2] Figure calculated at interim report, 31 January 2024.

Report of the Depositary to the shareholders of Starhunter Investments Fund

Depositary's responsibilities

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC regulations), as amended, the Financial Services and Markets Act 2000, as amended, (together 'the Regulations'), the Instrument of Incorporation and Prospectus (together 'the Scheme documents') as detailed below.

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

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

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's revenue is applied in accordance with the Regulations; and
- the instructions of the Authorised Corporate Director ('ACD') are carried out (unless they conflict with the Regulations).

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

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

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

(ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

NatWest Trustee and Depositary Services Limited
28 October 2024

Independent Auditor's report to the shareholders of Starhunter Investments Fund

Opinion

We have audited the financial statements of Starhunter Investments Fund (the 'Company') for the period from 14 April 2023 to 31 July 2024, which comprise the Statements of total return, Statements of change in net assets attributable to shareholders, Balance sheets, the related Notes to the financial statements, including significant accounting policies and the Distribution tables. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the financial position of the Company as at 31 July 2024 and of the net revenue and the net capital gains on the scheme property of the Company for the period then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the Investment Association Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes sourcebook (COLL Rules) of the Financial Conduct Authority and the Instrument of Incorporation.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

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

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

Our responsibilities and the responsibilities of the Authorised Corporate Director's with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Authorised Corporate Director is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on Other Matters Prescribed by the COLL Rules

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

- Proper accounting records for the Company have been kept and the accounts are in agreement with those records;
- We have received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit; and
- The information given in the Report of the Authorised Corporate Director for the period is consistent with the financial statements.

Independent Auditor's report to the shareholders of Starhunter Investments Fund (continued)

Responsibilities of the Authorised Corporate Director

As explained more fully in the Statement of the Authorised Corporate Director's responsibilities set out on page 4, the Authorised Corporate Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Authorised Corporate Director determines 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 Corporate Director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to wind up the Company or to cease operations, or has no realistic alternative but to do so.

Auditor Responsibilities for the Audit of the Financial Statements

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

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

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

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

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and the sector in which it operates, focusing on those provisions that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- UK Generally Accepted Accounting Practice including Financial Reporting Standard 102 and the IA Statement of Recommended Practice for Authorised Funds;
- The Financial Conduct Authority's COLL Rules; and
- The Company's Prospectus.

We gained an understanding of how the Company is complying with these laws and regulations by making enquiries of the Authorised Corporate Director. We corroborated these enquiries through our review of submitted returns, external inspections, relevant correspondence with regulatory bodies and the Company's breaches register.

Independent Auditor's report to the shareholders of Starhunter Investments Fund (continued)

Auditor Responsibilities for the Audit of the Financial Statements (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how the Authorised Corporate Director was remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how the Authorised Corporate Director oversees the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk. We identified a heightened fraud risk in relation to:

- Management override of controls.

In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing the level of and reasoning behind the Company's procurement of legal and professional services;
- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, review of a pre sign-off Net Asset Valuation (NAV) statement for any unexpected activity and reviewing judgements made by the Authorised Corporate Director in its calculation of accounting estimates for potential management bias;
- Assessing the Company's compliance with the key requirements of the Collective Investment Schemes sourcebook, and its Prospectus;
- Completion of appropriate checklists and use of our experience to assess the Company's compliance with the IA Statement of Recommended Practice for Authorised Funds; and
- Agreement of the financial statement disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that 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 intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

Use of Our Report

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the COLL Rules issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Johnston Carmichael LLP
Chartered Accountants
Statutory Auditor
Bishop's Court
29 Albyn Place
Aberdeen AB10 1YL
28 October 2024

Accounting policies of Starhunter Investments Fund
for the period 14 April 2023 to 31 July 2024

a *Basis of accounting*

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments. They have been prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102') and in accordance with the Statement of Recommended Practice for UK Authorised Funds ('the SORP') published by The Investment Association in May 2014 and amended in June 2017, and the requirements of the Collective Investment Schemes sourcebook ('COLL').

The ACD has considered a detailed assessment of the sub-funds' ability to meet their liabilities as they fall due, including liquidity, declines in global capital markets and investor redemption levels. Based on this assessment, the sub-funds continue to be open for trading and the ACD is satisfied the sub-funds have adequate financial resources to continue in operation for at least the next 12 months and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

b *Valuation of investments*

The purchases and sales of investments are included up to close of business on the last business day of the accounting period.

Purchases and sales of investments are recognised when a legally binding and unconditional right to obtain, or an obligation to deliver an asset arises.

The quoted investments of the sub-funds have been valued at the global closing bid-market prices excluding any accrued interest in the case of debt securities ruling on the principal markets on which the stocks are quoted on the last business day of the accounting period.

Collective investment schemes are valued at the bid price for dual priced funds and at the single price for single priced funds and are valued at their most recent published price prior to the close of business valuation on 31 July 2024.

Derivatives are valued at the price which would be required to close out the contract at the balance sheet date.

c *Foreign exchange*

The base currency of the sub-funds is UK sterling which is taken to be the sub-funds' functional currency.

All transactions in foreign currencies are converted into sterling at the rates of exchange ruling at the dates of such transactions. The resulting exchange differences are disclosed in note 2 of the Notes to the financial statements.

Any foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rate prevailing at the balance sheet date.

d *Revenue*

Revenue is recognised in the Statement of total return on the following basis:

Distributions from collective investment schemes are recognised as revenue on the date the securities are quoted ex-dividend. Equalisation on distributions from collective investment schemes is deducted from the cost of the investment and does not form part of the sub-funds' distribution.

Distributions from collective investment schemes which are re-invested on behalf of the sub-funds are recognised as revenue on the date the securities are quoted ex-dividend and form part of the sub-funds' distribution.

Excess reportable income from reporting offshore funds is recognised as revenue when the reported distribution rate is available and forms part of the sub-funds' distribution.

Interest on bank deposits and short term deposits is recognised on an accruals basis.

Interest on debt securities is recognised on an accruals basis, taking into account the effective yield on the investment. Accrued interest purchased and sold on interest bearing securities is excluded from the capital cost of these securities and dealt with as part of the revenue of the sub-funds. The effective yield is a calculation that amortises any discount or premium on the purchase of an investment over its remaining life based on estimated cash flows. The amortised amounts form part of the distributable revenue and are calculated at each month end.

Management fee rebates agreed in respect of holdings in other collective investment schemes are recognised on an accruals basis and are allocated to revenue or capital being determined by the allocation of the expense in the collective investment scheme held.

e *Expenses*
All expenses, other than those relating to the purchase and sale of investments, are charged to revenue on an accrual basis.

Bank interest paid is charged to revenue.

f *Allocation of revenue and expenses to multiple share classes*
All revenue and expenses which are directly attributable to a particular share class are allocated to that class. All revenue and expenses which are attributable to the sub-funds are allocated to the sub-funds and are normally allocated across the share classes pro rata to the net asset value of each class on a daily basis.

g *Taxation*
Tax payable on profits is recognised as an expense in the period in which profits arise. The tax effects of tax losses available to carry forward are recognised as an asset when it is probable that future taxable profits will be available, against which these losses can be utilised.

UK corporation tax is provided as amounts to be paid/recovered using the tax rates and laws that have been enacted at the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at 31 July 2024 to pay more or less tax, at a future date, at rates expected to apply when they crystallise based on current rates and tax laws. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted.

Provision for deferred tax assets are only made to the extent the timing differences are expected to be of future benefit.

When a disposal of a holding in a non-reporting offshore fund is made, any gain is an offshore income gain and tax will be charged to capital. There may be instances where tax relief is due to revenue for the utilisation of excess management expenses.

h *Efficient Portfolio Management*
Where appropriate, certain permitted instruments such as derivatives or forward currency contracts may be used for Efficient Portfolio Management purposes. Where such instruments are used to protect or enhance revenue, the revenue or expenses derived therefrom are included in the Statement of total return as revenue related items and form part of the distribution. Where such instruments are used to protect or enhance capital, the gains and losses derived therefrom are included in the Statement of total return as capital related items.

i *Distribution policies*

i *Basis of distribution*

The distribution policy is to distribute all available revenue after deduction of expenses payable from revenue. Distributions attributable to income shares are paid to shareholders. Distributions attributable to accumulation shares are re-invested in the sub-funds on behalf of the shareholders.

ii *Unclaimed distributions*
Distributions to shareholders outstanding after 6 years are taken to the capital property of the sub-funds.

iii *Revenue*
All revenue is included in the final distribution with reference to policy d.

iv *Expenses*
Expenses incurred against the revenue of the sub-funds are included in the final distribution, subject to any expense which may be transferred to capital for the purpose of calculating the distribution, with reference to policy e.

i Distribution policies (continued)

v Equalisation

Group 2 shares are shares purchased on or after the previous XD date and before the current XD date. Equalisation applies only to group 2 shares. Equalisation is the average amount of revenue included in the purchase price of group 2 shares and is refunded to holders of these shares as a return of capital. Being capital it is not liable to income tax in the hands of the shareholders but must be deducted from the cost of shares for capital gains tax purposes. Equalisation per share is disclosed in the Distribution table.

vi Revenue deficit

If expenses exceed the revenue of the sub-funds no distribution will be made and the revenue deficit will be met by the capital property of the sub-funds.

Starhunter Fund 1

Investment Manager's report

Investment objective and policy

The investment objective of the sub-fund is to achieve capital growth over the long term (being a 7 to 10 year period).

The sub-fund is a multi-asset fund, meaning that it will have exposure to a range of asset classes.

At any one time, the sub-fund may be invested in any combination of the following: shares, bonds (including government and investment grade corporate bonds), money market instruments, deposits, gold, cash and near cash. Exposure to such asset classes will mainly be through collective investment schemes (which may include those managed by the ACD), however, exposure to gold will be through exchange traded funds.

The sub-fund is actively managed and is not constrained by any particular asset allocation in respect of geography, industry or sector. Typically, the sub-fund will maintain, in normal market conditions, an exposure to shares of between 50%-85% of the value of the sub-fund.

The sub-fund may use derivatives and forward transactions only for the purposes of Efficient Portfolio Management.

Investment performance*

Over the period 18 April 2023 to 31 July 2024 the sub-fund's capital return rose by 14.8%. The ARC Sterling Steady Growth PCI comparative benchmark rose by 11.7%.

Investment activities

During the period, the portfolio turnover has been low. Since the original Starhunter Managed Trust split into the separate strategies, Starhunter Fund 1 and Starhunter Fund 2, the portfolio has been in build-up, adding positions when an opportunity presents itself.

Further information for the total purchases and sales during the period are shown on page 22.

Investment strategy and outlook**

The sub-fund is a multi-asset fund, therefore is invested in a diversified range of third-party actively managed funds and passive exchange traded funds, investing across several asset classes, with the largest allocation being to global equities. The overall investment strategy of the sub-fund has not changed over this period.

The second quarter was a mixed period for investors, with bond markets generally falling back but equity markets generally moving ahead. With the US Federal Reserve ('Fed'), European Central Bank ('ECB') and Bank of England ('BoE') raising interest rates again and talking of further rate rises, the weakness in bond markets was not particularly surprising. Inflation fell back significantly over the second quarter in most regions, and it seemed likely that central banks would soon be able to call a halt to interest rate rises.

In the US, the headline market cap weighted index rose 8% in local currency terms over the quarter, driven higher by the strong performance of a small number of mega-cap technology stocks, including Apple and Microsoft. The strength in the mega-cap technology stocks partly reflected the publicity surrounding Artificial Intelligence ('AI') with NVIDIA, the leading AI chip maker, rising 52% over the quarter.

Gross Domestic Product ('GDP') numbers reported for the first quarter showed the US and Japan still growing at a reasonably healthy pace but growth in the UK was only marginally positive and, in the Eurozone, it was marginally negative. Inflation, however, continued to ease back, with Consumer Price Index Inflation in the US falling from 5.0% in March to 4.0% in May, in the Eurozone from 6.9% to 6.1% and in the UK from 10.1% to 8.7%.

The third quarter was a relatively disappointing period for investors. Bond markets again came under pressure, this time unsettled by the comments from the Fed that interest rates may have to stay higher for longer than previously indicated if inflation was to be brought under control and kept under control. Most government bonds fell back over the quarter and corporate bonds generally outperformed government bonds.

* Source: Bloomberg and ARC. Based on mid prices at 12pm.

** Source: Bloomberg.

Investment Manager's report (continued)

Investment strategy and outlook (continued)*

Equity markets also fell back modestly over the period in sympathy with bond markets, albeit with a few notable exceptions such as the UK and Japan, which managed to make modest gains over the quarter. Developed equity markets declined 2.6% on average in local currency terms; Japan produced the best return in local currency terms, rising 2.5%. Within markets, the best performing sector by far was energy, while the worst performing sectors were utilities, real estate and consumer staples. The run in the so-called "Magnificent Seven" mega-cap technology related stocks ran out of steam, with all ending the period well off their highs.

The fundamental background to markets remained mixed; GDP numbers reported showed the US and Japan still growing while the UK and Europe still only marginally positive. Inflation also continued falling in most regions however, the major central banks continued to raise interest rates with the exception of the Bank of Japan.

The fourth quarter ended on a strong note for markets as investors began to anticipate interest rate cuts in 2024 following central bank comments that further rate hikes were unnecessary. Furthermore, all regions saw inflation improving which led to central banks keeping interest rates unchanged over the quarter.

As a result of the year end rally, 2023 has been a good year for investors, with global bond markets up 6% and global equity markets up 22% in local currency terms. The strong move in equity markets was largely due to the US and the strength of the Magnificent Seven mega-cap technology stocks, which rose more than 100% on average over the year. Developed equity markets returned 9.8% on average in local currency terms. Emerging markets continuing underperforming developed markets this was, however, largely due to China which returned -4.8%.

After the strong last two months of 2023 a degree of consolidation was due in the New Year. Markets were weak in the first ten days, not helped by a surprise marginal uptick in US inflation and continuing worries over military action in the Middle East. However, at the end of the first quarter of 2024 equity markets had performed well on the back of strong US economic data and growing confidence that the US would avoid recession. Developed equity markets returned 10.1% on average in local currency terms over the quarter. Among the major markets, Japan produced the best return in local currency terms, rising 18.1%, while the US returned 10.6% and Europe 9.5%.

Bond markets were subdued as comments from central banks suggested that interest rate cuts might not come through as fast as investors expected. This was partly because inflation data reported in the first quarter was mixed across regions. Although the Fed, ECB and BoE kept interest rates on hold over the quarter, the Bank of Japan went against the trend by increasing official rates in Japan from negative 0.1% to positive 0.1%. This was the first change in its policy since 2016. The Swiss National Bank also reduced interest rates from 1.75% to 1.25%.

During the second quarter of 2024, most equity markets rose over the second quarter in local currency terms but the gains were generally modest and a number of markets came under pressure as the quarter progressed, not least in Europe where the political uncertainty created by the calling of a snap general election in France unsettled investors. AI related stocks led by NVIDIA continued to dominate the US market with little sign of the market broadening out. Government bond markets generally fell back over the quarter. As a result, the average yield on ten-year gilts in the UK rose from 3.93% to 4.17%, while the yield on ten year US Treasury bonds rose from 4.20% to 4.40%.

Economic data published over the quarter was mixed. GDP data for the first quarter showed the US economy still growing at a healthy 2.9% rate year on year. Growth in the Eurozone and UK, however, remain sluggish. Among the major central banks, the Fed and the BoE kept interest rates on hold over the quarter but the ECB reduced its deposit rate by 0.25% from 4.0% to 3.75%.

July was a volatile month for markets as key economic data releases reassured investors that interest rate cuts are just around the corner. The AI theme that has dominated markets showed its first sign of weakness as investors began to rotate into areas of the market that stand to benefit from the lowering of interest rates. Over the month, developed equity markets rose 1.2% in local currency terms while emerging markets underperformed, with the headline index rising 0.6% over the month.

Stanhope Capital LLP

13 August 2024

* Source: Bloomberg.

Portfolio changes

for the period 18 April 2023 to 31 July 2024

The following represents the total purchases and sales in the period to reflect a clearer picture of the investment activities.

Purchases:	Cost £
JPMorgan Liquidity Funds - GBP Liquidity LVNAV Fund	1,023,481
iShares MSCI ACWI UCITS ETF	693,155
Baillie Gifford Long Term Global Growth Investment Fund	617,541
Trojan Investment Funds - Trojan Fund	511,555
UK Treasury Gilt 0.25% 31/01/2025	509,844
iShares S&P 500 GBP Hedged UCITS ETF	332,997
Vontobel Fund - mtx Sustainable Asian Leaders Ex Japan	310,748
iShares MSCI Europe ex-UK GBP Hedged UCITS ETF	306,282
MI Metropolis Valuefund	229,975
AXA Sterling Credit Short Duration Bond	202,018
Polar Capital Funds - Healthcare Opportunities Fund	114,991

Sales:	Proceeds £
iShares MSCI World UCITS ETF	733,362
JPMorgan Liquidity Funds - GBP Liquidity LVNAV Fund	715,000
Mirae Asset Global Discovery Fund - ESG Asia Great Consumer Equity Fund	415,309
Cantillon Global Equity Fund	333,007
ABN AMRO Funds - Parnassus US ESG Equities	327,188
Comgest Growth - Comgest Growth Europe	317,617

Portfolio statement

as at 31 July 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Debt Securities* 4.52%			
Aa3 to A1 4.52%			
UK Treasury Gilt 0.25% 31/01/2025	£546,400	535,652	4.52
Collective Investment Schemes 89.74%			
UK Authorised Collective Investment Schemes 26.92%			
AXA Sterling Credit Short Duration Bond	593,016	600,132	5.06
Baillie Gifford Long Term Global Growth Investment Fund	66,431	719,445	6.07
First Sentier Investors ICVC - Stewart Investors Asia Pac Leaders Sustainability	54,139	591,873	4.99
MI Metropolis Valuefund	212,022	740,886	6.25
Trojan Investment Funds - Trojan Fund	132,802	539,244	4.55
Total UK authorised collective investment schemes		3,191,580	26.92
Offshore Collective Investment Schemes 62.82%			
ABN AMRO Funds - Parnassus US ESG Equities	3,422	696,332	5.88
Cantillon Global Equity Fund	11,080	723,956	6.11
Comgest Growth - Comgest Growth Europe	14,429	544,336	4.60
Dodge & Cox Worldwide Funds - U.S. Stock Fund	21,056	735,909	6.21
Federated Hermes US SMID Equity Fund	231,393	669,256	5.65
iShares Edge MSCI World Value Factor UCITS ETF	13,455	461,776	3.90
iShares MSCI ACWI UCITS ETF	11,642	776,056	6.55
iShares MSCI Europe ex-UK GBP Hedged UCITS ETF	47,755	354,008	2.99
iShares S&P 500 GBP Hedged UCITS ETF	3,321	415,856	3.51
JPMorgan Liquidity Funds - GBP Liquidity LVNAV Fund	308,656	308,656	2.60
Polar Capital Funds - Healthcare Opportunities Fund	10,567	678,695	5.73
Polen Capital Investment Funds - Focus US Growth	54,385	754,319	6.37
Vontobel Fund - mtx Sustainable Asian Leaders Ex Japan	982	322,810	2.72
Total offshore collective investment schemes		7,441,965	62.82
Total collective investment schemes		10,633,545	89.74
Exchange Traded Commodities 5.54%			
Gold Bullion Securities	3,786	656,482	5.54

* Grouped by credit rating - source: Interactive Data and Bloomberg.

Portfolio statement (continued)
as at 31 July 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Forward currency contracts 0.09%			
Sell euro	(€681,738)	(575,429)	
Buy UK sterling	£577,432	577,432	
Expiry date 19 September 2024		2,003	0.01
Sell US dollar	($1,175,439)	(914,731)	
Buy UK sterling	£923,891	923,891	
Expiry date 19 September 2024		9,160	0.08
Total forward currency contracts		11,163	0.09
Portfolio of investments		11,836,842	99.89
Other net assets		13,096	0.11
Total net assets		11,849,938	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated. Forward contracts are not listed on stock exchanges and are considered over-the-counter instruments.

Risk and reward profile*

The risk and reward indicator table demonstrates where the sub-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 sub-fund. The shaded area in the table below shows the sub-fund's ranking on the risk and reward indicator.

Typically lower rewards, lower risk ←						→ Typically higher rewards, higher risk
1	2	3	**4**	5	6	7

The sub-fund is in a medium category because the price of its investments have risen or fallen to some extent. The category shown is not guaranteed to remain unchanged and may shift over time. Even the lowest category does not mean a risk-free investment.

For full details on risk factors for the sub-fund, please refer to the Prospectus.

* As per the KIID published on 10 May 2024.

Comparative table

The following disclosures give a shareholder an indication of the performance of a share in the sub-fund. It also discloses the operating charges and direct transaction costs applied to each share. Operating charges are those charges incurred in operating the sub-fund and direct transaction costs are costs incurred when purchasing or selling securities in the portfolio of investments.

Starhunter Fund 1 GBP Inc launched on 18 April 2023 at 100.0p per share.

Starhunter Fund 1 GBP Inc	2024* p
Change in net assets per share	
Opening net asset value per share	100.00
Return before operating charges	16.57
Operating charges	(2.64)
Return after operating charges **	13.93
Distributions^	(0.16)
Closing net asset value per share	113.77
** after direct transaction costs of:	0.05
Performance	
Return after charges	13.93%
Other information	
Closing net asset value (£)	2,904,160
Closing number of shares	2,552,739
Operating charges^^	1.95%^^^
Direct transaction costs	0.04%
Published prices	
Highest share price	114.0
Lowest share price	97.26

Investments carry risk. Past performance is not a guide to future performance. Investors may not get back the amount invested.

* For the period 18 April 2023 to 31 July 2024.

^ Rounded to 2 decimal places.

^^ The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD's periodic charge and the Investment Manager's fee which are included in the annual management charge, but also includes the costs for other services paid. It is indicative of the charges which may occur in a year as it is calculated on historical data.

The OCF includes expenses incurred by underlying holdings of collective investment schemes in relation to the Fund (the synthetic 'OCF').

^^^ Annualised based on the expenses incurred during the period from 18 April 2023 to 31 July 2024.

Comparative table (continued)

Starhunter Fund 1 GBP Acc launched on 18 April 2023 at 100.0p per share.

Starhunter Fund 1 GBP Acc	2024* p
Change in net assets per share	
Opening net asset value per share	100.00
Return before operating charges	16.59
Operating charges	(2.62)
Return after operating charges **	13.97
Distributions^	(0.17)
Retained distributions on accumulation shares^	0.17
Closing net asset value per share	113.97
** after direct transaction costs of:	0.04
Performance	
Return after charges	13.97%
Other information	
Closing net asset value (£)	8,945,778
Closing number of shares	7,848,990
Operating charges^^	1.95%^^^
Direct transaction costs	0.04%
Published prices	
Highest share price	114.2
Lowest share price	97.27

Investments carry risk. Past performance is not a guide to future performance. Investors may not get back the amount invested.

* For the period 18 April 2023 to 31 July 2024.

^ Rounded to 2 decimal places.

^^ The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD's periodic charge and the Investment Manager's fee which are included in the annual management charge, but also includes the costs for other services paid. It is indicative of the charges which may occur in a year as it is calculated on historical data.

The OCF includes expenses incurred by underlying holdings of collective investment schemes in relation to the Fund (the synthetic 'OCF').

^^^ Annualised based on the expenses incurred during the period from 18 April 2023 to 31 July 2024.

Financial statements - Starhunter Fund 1

Statement of total return
For the period 18 April 2023 to 31 July 2024

	Notes	18 April 2023 to 31 July 2024 £	18 April 2023 to 31 July 2024 £
Income:			
Net capital gains	2		1,472,780
Revenue	3	197,800	
Expenses	4	(187,101)	
Net revenue before taxation		10,699	
Taxation	5	-	
Net revenue after taxation			10,699
Total return before distributions			1,483,479
Distributions	6		(18,362)
Change in net assets attributable to shareholders from investment activities			1,465,117

Statement of change in net assets attributable to shareholders
For the period 18 April 2023 to 31 July 2024

	18 April 2023 to 31 July 2024 £	18 April 2023 to 31 July 2024 £
Share exchange issues on in specie transfers*	8,288,742	
Amounts receivable on issue of shares	2,690,600	
Amounts payable on cancellation of shares	(608,178)	
		10,371,164
Change in net assets attributable to shareholders from investment activities		1,465,117
Retained distributions on accumulation shares		13,657
Closing net assets attributable to shareholders		11,849,938

* On 18 April 2023, the shares were transferred from Starhunter Managed Trust via a Scheme of Arrangement.

Balance sheet
as at 31 July 2024

	Notes	2024
		£
Assets:		
Fixed assets:		
Investments		11,836,842
Current assets:		
Debtors	7	13,808
Cash and bank balances	8	8,201
Total assets		11,858,851
Liabilities:		
Creditors:		
Other creditors	9	(8,913)
Total liabilities		(8,913)
Net assets attributable to shareholders		11,849,938

Notes to the financial statements
for the period 18 April 2023 to 31 July 2024

1. Accounting policies

The accounting policies are disclosed on pages 17 and 19.

2. Net capital gains	18 April 2023 to 31 July 2024
	£
Non-derivative securities - realised losses	(13,467)
Non-derivative securities - movement in unrealised gains	1,482,397
Currency losses	(1,763)
Forward currency contracts gains	5,710
Transaction charges	(97)
Total net capital gains	1,472,780

3. Revenue	18 April 2023 to 31 July 2024
	£
UK revenue	10,740
Unfranked revenue	29,141
Overseas revenue	91,347
Interest on debt securities	26,830
Bank and deposit interest	35,802
Rebates from collective investment schemes	3,940
Total revenue	197,800

4. Expenses	18 April 2023 to 31 July 2024
	£
Payable to the ACD and associates	
Annual management charge*	177,366
Annual management charge rebate*	(26,489)
	150,877
Payable to the Depositary	
Depositary fees	11,599
Other expenses:	
Audit fee	7,632
Non-executive directors' fees	1,716
Safe custody fees	665
Bank interest	5,281
FCA fee	31
KIID production fee	500
Set up fee	2,500
Legal fee	6,300
	24,625
Total expenses	187,101

* For the period ended 31 July 2024, the annual management charge after rebates for each share class is as follows:

Starhunter Fund 1 GBP Inc	1.06%
Starhunter Fund 1 GBP Acc	1.06%

The annual management charge includes the ACD's periodic charge and the Investment Manager's fees.

Notes to the financial statements (continued)

for the period 18 April 2023 to 31 July 2024

	18 April 2023 to 31 July 2024
5. Taxation	£
a. Analysis of the tax charge for the period	
Total taxation (note 5b)	-

b. Factors affecting the tax charge for the period

The tax assessed for the period is lower than the standard rate of UK corporation tax for an authorised collective investment scheme of 20%. The differences are explained below:

	18 April 2023 to 31 July 2024
	£
Net revenue before taxation	10,699
Corporation tax @ 20%	2,140
Effects of:	
UK revenue	(2,148)
Overseas revenue	(10,225)
Expenses not deductible for tax purposes	1,760
Excess management expenses	8,473
Total taxation (note 5a)	-

c. Provision for deferred taxation

At the period end, a deferred tax asset has not been recognised in respect of timing differences relating to excess management expenses as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £8,473.

6. Distributions

The distributions take account of revenue added on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	18 April 2023 to 31 July 2024
	£
Interim income distribution	4,105
Interim accumulation distribution	13,657
Final income distribution	-
Final accumulation distribution	-
	17,762
Equalisation:	
Amounts deducted on cancellation of shares	600
Total net distributions	18,362

Reconciliation between net revenue and distributions:

Net revenue after taxation per Statement of total return	10,699
Revenue shortfall to be transferred from capital	7,663
Distributions	18,362

Details of the distribution per share are disclosed in the Distribution table.

Notes to the financial statements (continued)
for the period 18 April 2023 to 31 July 2024

7. Debtors

	2024
	£
Accrued revenue	7,529
Prepaid expenses	2,033
Recoverable income tax	191
Accrued rebates from collective investment schemes	1,795
	11,548
Payable from the ACD and associates	
Annual management charge rebate	2,260
Total debtors	13,808

8. Cash and bank balances

	2024
	£
Total cash and bank balances	8,201

9. Other creditors

	2024
	£
Other expenses:	
Safe custody fees	448
Audit fee	7,632
Non-executive directors' fees	804
FCA fee	9
Transaction charges	20
	8,913
Total other creditors	8,913

10. Commitments and contingent liabilities

At the balance sheet date there are no commitments or contingent liabilities.

11. Share classes

The following reflects the change in shares in issue in the period:

	Starhunter Fund 1 GBP Inc
Total shares issued in the period	589,080
Creation in specie	2,531,496
Total shares cancelled in the period	(567,837)
Closing shares in issue	2,552,739

	Starhunter Fund 1 GBP Acc
Total shares issued in the period	2,091,744
Creation in specie	5,757,246
Closing shares in issue	7,848,990

Further information in respect of the return per share is disclosed in the Comparative table.

On the winding up of a sub-fund all the assets of the sub-fund will be realised and apportioned to the share classes in relation to the net asset value on the closure date. Shareholders will receive their respective share of the proceeds, net of liabilities and the expenses incurred in the termination in accordance with the FCA regulations. Each share class has the same rights on winding up.

Notes to the financial statements (continued)

for the period 18 April 2023 to 31 July 2024

12. Related party transactions

Evelyn Partners Fund Solutions Limited, as ACD is a related party due to its ability to act in respect of the operations of the sub-fund.

The ACD acts as principal in respect of all transactions of shares in the sub-fund. The aggregate monies received and paid through the creation and cancellation of shares are disclosed in the Statement of change in net assets attributable to shareholders of the sub-fund.

Amounts payable to the ACD and its associates are disclosed in note 4. The amounts due from the ACD and its associates at the balance sheet date are disclosed in note 7.

13. Events after the balance sheet date

Subsequent to the period end, the net asset value per Starhunter Fund 1 GBP Inc share has increased from 113.8p to 117.1p and the Starhunter Fund 1 GBP Acc share has increased from 114.0p to 117.3p as at 15 October 2024. This movement takes into account routine transactions but also reflects the market movements of recent months.

14. Transaction costs

a Direct transaction costs

Direct transaction costs include fees and commissions paid to agents, advisers, brokers and dealers; levies by regulatory agencies and security exchanges; and transfer taxes and duties.

Commission is a charge which is deducted from the proceeds of the sale of securities and added to the cost of the purchase of securities. This charge is a payment to agents, advisers, brokers and dealers in respect of their services in executing the trades.

Tax is payable on the purchase of securities in the United Kingdom. It may be the case that 'other taxes' will be charged on the purchase of securities in countries other than the United Kingdom.

The total purchases and sales and the related direct transaction costs incurred in these transactions are as follows:

	Purchases before transaction costs	Commission		Purchases after transaction costs
18 April 2023 to 31 July 2024	£	£	%	£
Bonds	509,080	764	0.15%	509,844
Collective Investment Schemes	4,340,747	1,996	0.05%	4,342,743
Total	4,849,827	2,760	0.20%	4,852,587

	In specie purchases before transaction costs	Commission		In specie purchases after transaction costs
18 April 2023 to 31 July 2024	£	£	%	£
Collective Investment Schemes*	7,724,419	-	-	7,724,419
Exchange Traded Commodities*	564,323	-	-	564,323
Total	8,288,742	-	- -	8,288,742

* No direct transaction costs were incurred in these transactions.

Notes to the financial statements (continued)

for the period 18 April 2023 to 31 July 2024

14. Transaction costs (continued)

a Direct transaction costs (continued)

	Sales before transaction costs	Commission		Sales after transaction costs
18 April 2023 to 31 July 2024	£	£	%	£
Collective Investment Schemes	2,843,251	(1,768)	0.06%	2,841,483

Summary of direct transaction costs

The following represents the total of each type of transaction cost, expressed as a percentage of the sub-fund's average net asset value in the period:

18 April 2023 to 31 July 2024	£	% of average net asset value
Commission	4,528	0.04%

b Average portfolio dealing spread

The average portfolio dealing spread is calculated as the difference between the bid and offer value of the portfolio as a percentage of the offer value.

The average portfolio dealing spread of the investments at the balance sheet date was 0.02%.

15. Risk management policies

In pursuing the sub-fund's investment objective, as set out in the Prospectus, the following are accepted by the ACD as being the main risks from the sub-fund's holding of financial instruments, either directly or indirectly through its underlying holdings. These are presented with the ACD's policy for managing these risks. To ensure these risks are consistently and effectively managed these are continually reviewed by the risk committee, a body appointed by the ACD, which sets the risk appetite and ensures continued compliance with the management of all known risks.

a Market risk

Market risk is the risk that the value of the sub-fund’s financial instruments will fluctuate as a result of changes in market prices and comprise three elements: other price risk, currency risk, and interest rate risk.

(i) Other price risk

The sub-fund's exposure to price risk comprises mainly of movements in the value of investment positions in the face of price movements.

The main elements of the portfolio of investments exposed to this risk are collective investment scheme and exchange traded commodities.

This risk is generally regarded as consisting of two elements: stock specific risk and market risk. Through these two factors, the sub-fund is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy.

Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective of the sub-fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 31 July 2024, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £564,501.

Notes to the financial statements (continued)

for the period 18 April 2023 to 31 July 2024

15. Risk management policies (continued)

a Market risk (continued)

(ii) Currency risk

Currency risk is the risk that the value of investments or future cash flows will fluctuate as a result of exchange rate movements. Investment in overseas securities or holdings of foreign currency cash will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates against sterling. Investments in UK securities investing in overseas securities will give rise to indirect exposure to currency risk. These fluctuations can also affect the profitability of some UK companies, and thus their market prices, as sterling's relative strength or weakness can affect export prospects, the value of overseas earnings in sterling terms, and the prices of imports sold in the UK.

Forward currency contracts may be used to manage the portfolio exposure to currency movements.

The foreign currency risk profile of the sub-fund's financial instruments and cash holdings at the balance sheet date is as follows:

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2024	£	£	£
Euro	544,336	-	544,336
US dollar	1,648,548	-	1,648,548
Total foreign currency exposure	2,192,884	-	2,192,884

At 31 July 2024, if the value of sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £35,136. Forward currency contracts are used to manage the portfolio exposure to currency movements.

(iii) Interest rate risk

Interest rate risk is the risk that the value of the sub-fund's investments will fluctuate as a result of interest rate changes.

During the period the sub-fund's direct exposure to interest rates consisted of cash and bank balances and interest bearing securities.

The sub-fund also has indirect exposure to interest rate risk as it invests in bond funds. The amount of revenue receivable from bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. The value of interest bearing securities may be affected by changes in the interest rate environment, either globally or locally. In the event of a change in interest rates, there would be no material impact upon the net assets of the sub-fund. The sub-fund would not in normal market conditions hold significant cash balances and would have limited borrowing capabilities as stipulated in the COLL rules.

Derivative contracts are not used to hedge against the exposure to interest rate risk.

Notes to the financial statements (continued)

for the period 18 April 2023 to 31 July 2024

15. Risk management policies (continued)

a Market risk (continued)

(iii) Interest rate risk (continued)

The interest rate risk profile of financial assets and liabilities at the balance sheet date is as follows:

2024	Variable rate financial assets	Fixed rate financial assets	Non-interest bearing financial assets	Non-interest bearing financial liabilities	Total
	£	£	£	£	£
Euro	-	-	544,336	-	544,336
UK sterling	8,201	535,652	9,122,114	(8,913)	9,657,054
US dollar	-	-	1,648,548	-	1,648,548
	8,201	535,652	11,314,998	(8,913)	11,849,938

b Credit risk

This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty risk and issuer risk.

The Depositary has appointed the custodian to provide custody services for the assets of the sub-fund. There is a counterparty risk that the custodian could cease to be in a position to provide custody services to the sub-fund. The sub-fund's investments (excluding cash) are ring fenced hence the risk is considered to be negligible.

In addition to the interest rate risk, bond investments are exposed to issuer risk which reflects the ability for the bond issuer to meet its obligations to pay interest and return the capital on the redemption date. Change in issuer risk will change the value of the investments and is dealt with further in note 15a. The debt securities held within the portfolio are investment grade bonds. A breakdown is provided in the Portfolio statement. The credit quality of the debt securities is disclosed in the Portfolio statement.

The sub-fund holds cash and cash deposits with financial institutions which potentially exposes the sub-fund to counterparty risk. The credit rating of the financial institution is taken into account so as to minimise the risk to the sub-fund of default.

Holdings in collective investment schemes are subject to direct credit risk. The exposure to pooled investment vehicles is unrated.

c Liquidity risk

A significant risk is the cancellation of shares which investors may wish to sell and that securities may have to be sold in order to fund such cancellations if insufficient cash is held at the bank to meet this obligation. If there were significant requests for the redemption of shares at a time when a large proportion of the portfolio of investments were not easily tradable due to market volumes or market conditions, the ability to fund those redemptions would be impaired and it might be necessary to suspend dealings in shares in the sub-fund.

Investments in smaller companies at times may prove illiquid, as by their nature they tend to have relatively modest traded share capital. Shifts in investor sentiment, or the announcement of new price sensitive information, can provoke significant movement in share prices, and make dealing in any quantity difficult.

The sub-fund may also invest in securities that are not listed or traded on any stock exchange. In such situations the sub-fund may not be able to immediately sell such securities.

To reduce liquidity risk the ACD will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the sub-fund's assets consist of readily realisable securities. This is monitored on a monthly basis and reported to the Risk Committee together with historical outflows of the sub-fund.

Notes to the financial statements (continued)

for the period 18 April 2023 to 31 July 2024

15. Risk management policies (continued)

c Liquidity risk (continued)

In addition liquidity is subject to stress testing on an annual basis to assess the ability of the sub-fund to meet large redemptions, while still being able to adhere to its objective guidelines and the FCA investment borrowing regulations.

All of the financial liabilities are payable on demand. In the case of forward foreign currency contracts these are payable in less than one year.

d 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.

To ensure this, the fair value pricing committee is a body appointed by the ACD to analyse, review and vote on price adjustments/maintenance where no current secondary market exists and/or where there are potential liquidity issues that would affect the disposal of an asset. In addition, the committee may also consider adjustments to the sub-fund's price should the constituent investments be exposed to closed markets during general market volatility or instability.

	Investment assets
Basis of valuation	2024
	£
Quoted prices	3,199,830
Observable market data	8,637,012
Unobservable data	-
	11,836,842

No securities in the portfolio of investments are valued using valuation techniques.

e Assets subject to special arrangements arising from their illiquid nature

There are no assets held in the portfolio of investments which are subject to special arrangements arising from their illiquid nature.

f Derivatives

The sub-fund may employ derivatives with the aim of reducing the sub-fund's risk profile, reducing costs or generating additional capital or revenue, in accordance with Efficient Portfolio Management.

The ACD monitors that any exposure is covered globally to ensure adequate cover is available to meet the sub-fund's total exposure, taking into account the value of the underlying investments, any reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions.

In the period there was direct exposure to derivatives. On a daily basis, exposure is calculated in UK sterling using the commitment approach with netting applied where appropriate. The total global exposure figure is divided by the net asset value of the sub-fund to calculate the percentage global exposure. Global exposure is a risk mitigation technique that monitors the overall commitment to derivatives in the sub-fund at any given time and may not exceed 100% of the net asset value of the property of the sub-fund.

For certain derivative transactions cash margins may be required to be paid to the brokers with whom the trades were executed and settled. These balances are subject to daily reconciliations and are held by the broker in segregated cash accounts that are afforded client money protection.

(i) Counterparties

Transactions in securities give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. This risk is mitigated by the sub-fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition the sub-fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

Notes to the financial statements (continued)

for the period 18 April 2023 to 31 July 2024

15. Risk management policies (continued)

f Derivatives (continued)

(i) Counterparties (continued)

The sub-fund may transact in derivative contracts which potentially exposes the sub-fund to counterparty risk from the counterparty not settling their side of the contract. Transactions involving derivatives are entered into only with investment banks and brokers with appropriate and approved credit rating, which are regularly monitored. Forward currency transactions are only undertaken with the custodians appointed by the Depositary.

At the balance sheet date, there are no securities in the portfolio of investments subject to a repurchase agreement.

(ii) Leverage

The leverage is calculated as the sum of the net asset value and the incremental exposure generated through the use of derivatives (calculated in accordance with the commitment approach) divided by the net asset value.

There have been no leveraging arrangements in the period.

(iii) Global exposure

Global exposure is a measure designed to limit the leverage generated by a fund through the use of financial derivative instruments, including derivatives with embedded assets.

At the balance sheet date the global exposure is as follows:

	Gross exposure value £	% of the total net asset value
Investment		
Forward Currency Contracts		
Value of short position - euro	575,429	4.86%
Value of short position - US dollar	914,731	7.72%

There have been no collateral arrangements in the period.

Distribution table

For the period 18 April 2023 to 31 July 2024

Interim distributions in pence per share

Group 1 - Shares purchased on 18 April 2023
Group 2 - Shares purchased 18 April 2023 to 31 January 2024

	Net revenue	Equalisation	Total distributions 31 March 2024
Starhunter Fund 1 GBP Inc			
Group 1	0.158	-	0.158
Group 2	0.158	-	0.158
Starhunter Fund 1 GBP Acc			
Group 1	0.174	-	0.174
Group 2	0.174	-	0.174

Final distributions in pence per share

Group 1 - Shares purchased before 1 February 2024
Group 2 - Shares purchased 1 February 2024 to 31 July 2024

	Net revenue	Equalisation	Total distributions 30 September 2024
Starhunter Fund 1 GBP Inc			
Group 1	-	-	-
Group 2	-	-	-
Starhunter Fund 1 GBP Acc			
Group 1	-	-	-
Group 2	-	-	-

Accumulation distribution

Holders of accumulation shares should add the distributions received thereon to the cost of the shares for capital gains tax purposes.

Starhunter Fund 2

Investment Manager's report

Investment objective and policy

The investment objective of the sub-fund is to achieve capital growth over the long term (being a 7 to 10 year period).

The sub-fund is a multi-asset fund, meaning that it will have exposure to a range of asset classes.

At any one time, the sub-fund may be invested in any combination of the following: shares, bonds (including government and investment grade corporate bonds), money market instruments, deposits, gold, cash and near cash. Exposure to such asset classes will mainly be through collective investment schemes (which may include those managed by the ACD), however, exposure to gold will be through exchange traded funds.

The sub-fund is actively managed and is not constrained by any particular asset allocation in respect of geography, industry or sector. Typically, the sub-fund will maintain, in normal market conditions, an exposure to shares of between 50%-85% of the value of the sub-fund.

The sub-fund operates an exclusions policy and will not invest in companies (directly or indirectly via collective investment schemes) that derive a significant proportion of their revenue from defence and weapons, tobacco and alcohol related activity, carbon and fossil fuels (or the production and extraction thereof), gambling or all forms of slavery. "Significant proportion" is generally defined for these purposes as 5%-10% of revenue, but this value may change over time.

The sub-fund may use derivatives and forward transactions only for the purposes of Efficient Portfolio Management.

Investment performance*

Over the period 14 April 2023 to 31 July 2024 the sub-fund's capital return rose by 12.10%, in total return terms. The ARC Sterling Steady Growth PCI comparative benchmark rose by 11.70%.

Investment activities

During the period, the portfolio turnover has been low. Since the original Starhunter Managed Trust split into two separate strategies, Starhunter Fund 1 and Starhunter Fund 2, the portfolio has been in build-up, adding positions when an opportunity presents itself.

Further information for the total purchases and sales during the period are shown on page 42.

Investment strategy and outlook**

The sub-fund is a multi-asset fund, therefore is invested in a diversified range of third-party actively managed funds and passive exchange traded funds, investing across several asset classes, with the largest allocation being to global equities. The overall investment strategy of the sub-fund has not changed over this period.

The second quarter was a mixed period for investors, with bond markets generally falling back but equity markets generally moving ahead. With the US Federal Reserve ('Fed'), European Central Bank ('ECB') and Bank of England ('BoE') raising interest rates again and talking of further rate rises, the weakness in bond markets was not particularly surprising. Inflation fell back significantly over the second quarter in most regions, and it seemed likely that central banks would soon be able to call a halt to interest rate rises.

In the US, the headline market cap weighted index rose 8% in local currency terms over the quarter, driven higher by the strong performance of a small number of mega-cap technology stocks, including Apple and Microsoft. The strength in the mega-cap technology stocks partly reflected the publicity surrounding Artificial Intelligence ('AI') with NVIDIA, the leading AI chip maker, rising 52% over the quarter.

Gross Domestic Product ('GDP') numbers reported for the first quarter showed the US and Japan still growing at a reasonably healthy pace but growth in the UK was only marginally positive and, in the Eurozone, it was marginally negative. Inflation, however, continued to ease back, with Consumer Price Index Inflation in the US falling from 5.0% in March to 4.0% in May, in the Eurozone from 6.9% to 6.1% and in the UK from 10.1% to 8.7%.

The third quarter was a relatively disappointing period for investors. Bond markets again came under pressure, this time unsettled by the comments from the Fed that interest rates may have to stay higher for longer than previously indicated if inflation was to be brought under control and kept under control. Most government bonds fell back over the quarter and corporate bonds generally outperformed government bonds.

* Source: Bloomberg and ARC. Based on mid prices at 12pm.

** Source: Bloomberg.

Investment Manager's report (continued)

Investment strategy and outlook (continued)*

Equity markets also fell back modestly over the period in sympathy with bond markets, albeit with a few notable exceptions such as the UK and Japan, which managed to make modest gains over the quarter. Developed equity markets declined 2.6% on average in local currency terms; Japan produced the best return in local currency terms, rising 2.5%. Within markets, the best performing sector by far was energy, while the worst performing sectors were utilities, real estate and consumer staples. The run in the so-called "Magnificent Seven" mega cap technology related stocks ran out of steam, with all ending the period well off their highs.

The fundamental background to markets remained mixed; GDP numbers reported showed the US and Japan still growing while the UK and Europe still only marginally positive. Inflation also continued falling in most regions however, the major central banks continued to raise interest rates with the exception of the Bank of Japan.

The fourth quarter ended on a strong note for markets as investors began to anticipate interest rate cuts in 2024 following central bank comments that further rate hikes were unnecessary. Furthermore, all regions saw inflation improving which led to central banks keeping interest rates unchanged over the quarter.

As a result of the year end rally, 2023 has been a good year for investors, with global bond markets up 6% and global equity markets up 22% in local currency terms. The strong move in equity markets was largely due to the US and the strength of the Magnificent Seven mega-cap technology stocks, which rose more than 100% on average over the period. Developed equity markets returned 9.8% on average in local currency terms. Emerging markets continuing underperforming developed markets this was, however, largely due to China which returned -4.8%.

After the strong last two months of 2023 a degree of consolidation was due in the New Year. Markets were weak in the first ten days, not helped by a surprise marginal uptick in US inflation and continuing worries over military action in the Middle East. However, at the end of the first quarter of 2024 equity markets had performed well on the back of strong US economic data and growing confidence that the US would avoid recession. Developed equity markets returned 10.1% on average in local currency terms over the quarter. Among the major markets, Japan produced the best return in local currency terms, rising 18.1%, while the US returned 10.6% and Europe 9.5%.

Bond markets were subdued as comments from central banks suggested that interest rate cuts might not come through as fast as investors expected. This was partly because inflation data reported in the first quarter was mixed across regions. Although the Fed, ECB and BoE kept interest rates on hold over the quarter, the Bank of Japan went against the trend by increasing official rates in Japan from negative 0.1% to positive 0.1%. This was the first change in its policy since 2016. The Swiss National Bank also reduced interest rates from 1.75% to 1.25%.

During the second quarter of 2024, most equity markets rose over the second quarter in local currency terms but the gains were generally modest and a number of markets came under pressure as the quarter progressed, not least in Europe where the political uncertainty created by the calling of a snap general election in France unsettled investors. AI related stocks led by NVIDIA continued to dominate the US market with little sign of the market broadening out. Government bond markets generally fell back over the quarter. As a result, the average yield on ten-year gilts in the UK rose from 3.93% to 4.17%, while the yield on ten year US Treasury bonds rose from 4.20% to 4.40%.

Economic data published over the quarter was mixed. GDP data for the first quarter showed the US economy still growing at a healthy 2.9% rate year on year. Growth in the Eurozone and UK, however, remain sluggish. Among the major central banks, the Fed and the Bank of England kept interest rates on hold over the quarter but the ECB reduced its deposit rate by 0.25% from 4.0% to 3.75%.

July was a volatile month for markets as key economic data releases reassured investors that interest rate cuts are just around the corner. The AI theme that has dominated markets showed its first sign of weakness as investors began to rotate into areas of the market that stand to benefit from the lowering of interest rates. Over the month, developed equity markets rose 1.2% in local currency terms while emerging markets underperformed, with the headline index rising 0.6% over the month.

Stanhope Capital LLP

13 August 2024

* Source: Bloomberg.

Portfolio changes

for the period 14 April 2023 to 31 July 2024

The following represents the total purchases and sales in the period to reflect a clearer picture of the investment activities.

Purchases:	Cost £
JPMorgan Liquidity Funds - GBP Liquidity LVNAV Fund	993,268
UBS Irl ETF - MSCI ACWI Socially Responsible UCITS ETF	828,289
MI Metropolis Valuefund	816,109
Columbia Threadneedle Lux III - CT Lux Responsible Global Equity Fund	737,559
ABN AMRO Funds - Parnassus US ESG Equities	737,386
Polar Capital Funds - Healthcare Opportunities Fund	736,675
UBS Irl ETF - MSCI USA Socially Responsible UCITS ETF	725,174
UBS Lux Fund Solutions - MSCI USA Socially Responsible UCITS ETF	718,747
iShares MSCI Europe SRI UCITS ETF	715,926
UBS Lux Fund Solutions - MSCI World Socially Responsible UCITS ETF	714,317
Brown Advisory US Sustainable Growth Fund	600,616
iShares Global Water UCITS ETF	551,780
Gold Bullion Securities	539,559
Trojan Ethical Fund	537,620
Comgest Growth - Comgest Growth Europe	537,365
iShares Global Clean Energy UCITS ETF	533,243
Allianz Global Investors Fund - Allianz Euro Credit SRI	448,904
UK Treasury Gilt 0.25% 31/01/2025	447,268
UK Treasury Gilt 0.625% 07/06/2025	404,239
Vontobel Fund - mtx Sustainable Asian Leaders Ex Japan	280,686

Sales:	Proceeds £
UBS Lux Fund Solutions - MSCI World Socially Responsible UCITS ETF	726,255
UBS Lux Fund Solutions - MSCI USA Socially Responsible UCITS ETF	725,927
iShares Global Clean Energy UCITS ETF	418,997
JPMorgan Liquidity Funds - GBP Liquidity LVNAV Fund	70,000

Portfolio statement

as at 31 July 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Debt Securities* 7.42%			
Aa3 to A1 7.42%			
UK Treasury Gilt 0.25% 31/01/2025	£480,523	471,072	3.96
UK Treasury Gilt 0.625% 07/06/2025	£424,042	410,630	3.46
Total debt securities		881,702	7.42
Collective Investment Schemes 87.16%			
UK Authorised Collective Investment Schemes 13.02%			
MI Metropolis Valuefund	277,571	969,940	8.16
Trojan Ethical Fund	420,081	577,906	4.86
Total UK authorised collective investment schemes		1,547,846	13.02
Offshore Collective Investment Schemes 74.14%			
ABN AMRO Funds - Parnassus US ESG Equities	4,324	879,805	7.40
Allianz Global Investors Fund - Allianz Euro Credit SRI	538	478,434	4.03
Columbia Threadneedle Lux III - CT Lux Responsible Global Equity Fund	49,717	838,727	7.06
Brown Advisory US Sustainable Growth Fund	23,450	598,268	5.04
Comgest Growth - Comgest Growth Europe	14,539	586,344	4.93
iShares Global Water UCITS ETF	11,534	624,912	5.26
iShares MSCI Europe SRI UCITS ETF	115,723	749,031	6.30
JPMorgan Liquidity Funds - GBP Liquidity LVNAV Fund	923,834	923,834	7.78
Polar Capital Funds - Healthcare Opportunities Fund	13,278	852,871	7.18
UBS Irl ETF - MSCI USA Socially Responsible UCITS ETF	48,905	946,507	7.97
UBS Irl ETF - MSCI ACWI Socially Responsible UCITS ETF	63,727	1,040,535	8.76
Vontobel Fund - mtx Sustainable Asian Leaders Ex Japan	878	288,635	2.43
Total offshore collective investment schemes		8,807,903	74.14
Total collective investment schemes		10,355,749	87.16
Exchange Traded Commodities 5.29%			
Gold Bullion Securities	3,626	628,676	5.29
Portfolio of investments		11,866,127	99.87
Other net assets		15,377	0.13
Total net assets		11,881,504	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

* Grouped by credit rating - source: Interactive Data and Bloomberg.

Risk and reward profile*

The risk and reward indicator table demonstrates where the sub-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 sub-fund. The shaded area in the table below shows the sub-fund's ranking on the risk and reward indicator.

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

1	2	3	4	5	6	7

The sub-fund is in a medium category because the price of its investments have risen or fallen to some extent. The category shown is not guaranteed to remain unchanged and may shift over time. Even the lowest category does not mean a risk-free investment.

For full details on risk factors for the sub-fund, please refer to the Prospectus.

* As per the KIID published on 10 May 2024.

Comparative table

The following disclosures give a shareholder an indication of the performance of a share in the sub-fund. It also discloses the operating charges and direct transaction costs applied to each share. Operating charges are those charges incurred in operating the sub-fund and direct transaction costs are costs incurred when purchasing or selling securities in the portfolio of investments.

Starhunter Fund 2 GBP Inc launched on 14 April 2023 at 100.0p per share.

Starhunter Fund 2 GBP Inc	2024* p
Change in net assets per share	
Opening net asset value per share	100.00
Return before operating charges	13.90
Operating charges	(2.60)
Return after operating charges **	11.30
Distributions^	(0.44)
Closing net asset value per share	110.86
** after direct transaction costs of:	0.14
Performance	
Return after charges	11.30%
Other information	
Closing net asset value (£)	4,570,681
Closing number of shares	4,122,950
Operating charges^^	1.93%^^^
Direct transaction costs	0.13%
Published prices	
Highest share price	111.8
Lowest share price	95.84

Investments carry risk. Past performance is not a guide to future performance. Investors may not get back the amount invested.

* For the period 14 April 2023 to 31 July 2024.

^ Rounded to 2 decimal places.

^^ The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD's periodic charge and the Investment Manager's fee which are included in the annual management charge, but also includes the costs for other services paid. It is indicative of the charges which may occur in a year as it is calculated on historical data.

The OCF includes expenses incurred by underlying holdings of collective investment schemes in relation to the Fund (the synthetic 'OCF').

^^^ Annualised based on the expenses incurred during the period from 14 April 2023 to 31 July 2024.

Comparative table (continued)

Starhunter Fund 2 GBP Acc launched on 14 April 2023 at 100.0p per share.

Starhunter Fund 2 GBP Acc	2024* p
Change in net assets per share	
Opening net asset value per share	100.00
Return before operating charges	13.89
Operating charges	(2.54)
Return after operating charges **	11.35
Distributions^	(0.48)
Retained distributions on accumulation shares^	0.48
Closing net asset value per share	111.35
** after direct transaction costs of:	0.11
Performance	
Return after charges	11.35%
Other information	
Closing net asset value (£)	7,310,823
Closing number of shares	6,565,460
Operating charges^^	1.93%^^^
Direct transaction costs	0.11%
Published prices	
Highest share price	112.0
Lowest share price	95.87

Investments carry risk. Past performance is not a guide to future performance. Investors may not get back the amount invested.

* For the period 14 April 2023 to 31 July 2024.

^ Rounded to 2 decimal places.

^^ The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD's periodic charge and the Investment Manager's fee which are included in the annual management charge, but also includes the costs for other services paid. It is indicative of the charges which may occur in a year as it is calculated on historical data.

The OCF includes expenses incurred by underlying holdings of collective investment schemes in relation to the Fund (the synthetic 'OCF').

^^^ Annualised based on the expenses incurred during the period from 14 April 2023 to 31 July 2024.

Financial statements - Starhunter Fund 2

Statement of total return
for the period 14 April 2023 to 31 July 2024

	Notes	14 April 2023 to 31 July 2024 £	£
Income:			
Net capital gains	2		1,150,249
Revenue	3	223,405	
Expenses	4	(177,000)	
Net revenue before taxation		46,405	
Taxation	5	-	
Net revenue after taxation			46,405
Total return before distributions			1,196,654
Distributions	6		(46,309)
Change in net assets attributable to shareholders from investment activities			1,150,345

Statement of change in net assets attributable to shareholders
for the period 14 April 2023 to 31 July 2024

	14 April 2023 to 31 July 2024 £	£
Amounts receivable on issue of shares	11,177,717	
Amounts payable on cancellation of shares	(476,362)	
		10,701,355
Change in net assets attributable to shareholders from investment activities		1,150,345
Retained distributions on accumulation shares		29,804
Closing net assets attributable to shareholders		11,881,504

Balance sheet
as at 31 July 2024

	Notes	2024 £
Assets:		
Fixed assets:		
Investments		11,866,127
Current assets:		
Debtors	7	8,758
Cash and bank balances	8	27,664
Total assets		11,902,549
Liabilities:		
Creditors:		
Distribution payable		(12,204)
Other creditors	9	(8,841)
Total liabilities		(21,045)
Net assets attributable to shareholders		11,881,504

Notes to the financial statements
for the period 14 April 2023 to 31 July 2024

1. Accounting policies

The accounting policies are disclosed on pages 17 and 19.

2. Net capital gains	14 April 2023 to 31 July 2024
	£
Non-derivative securities - realised losses	(95,127)
Non-derivative securities - movement in unrealised gains	1,251,246
Currency losses	(5,754)
Forward currency contracts gains	27
Transaction charges	(143)
Total net capital gains	1,150,249

3. Revenue	14 April 2023 to 31 July 2024
	£
UK revenue	5,824
Unfranked revenue	1,781
Overseas revenue	141,573
Interest on debt securities	32,071
Bank and deposit interest	42,156
Total revenue	223,405

4. Expenses	14 April 2023 to 31 July 2024
	£
Payable to the ACD and associates	
Annual management charge*	171,075
Annual management charge rebate*	(26,967)
	144,108
Payable to the Depositary	
Depositary fees	11,698
Other expenses:	
Audit fee	7,632
Non-executive directors' fees	1,716
Safe custody fees	525
Bank interest	2,243
FCA fee	28
KIID production fee	250
Set up fee	2,500
Legal fee	6,300
	21,194
Total expenses	177,000

* For the period ended 31 July 2024, the annual management charge after rebates for each shareholder class is as follows:

Starhunter Fund 2 GBP Inc	1.09%
Starhunter Fund 2 GBP Acc	1.09%

The annual management charge includes the ACD's periodic charge and the Investment Manager's fees.

Notes to the financial statements (continued)

for the period 14 April 2023 to 31 July 2024

	14 April 2023 to 31 July 2024 £
5. Taxation	
a. Analysis of the tax charge for the period	
Total taxation (note 5b)	-

b. Factors affecting the tax charge for the period

The tax assessed for the period is lower than the standard rate of UK corporation tax for an authorised collective investment scheme of 20%. The differences are explained below:

	14 April 2023 to 31 July 2024 £
Net revenue before taxation	46,405
Corporation tax @ 20%	9,281
Effects of:	
UK revenue	(1,165)
Overseas revenue	(15,704)
Expenses not deductible for tax purposes	1,760
Excess management expenses	5,828
Total taxation (note 5a)	-

c. Provision for deferred taxation

At the period end, a deferred tax asset has not been recognised in respect of timing differences relating to excess management expenses as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £5,828.

6. Distributions

The distributions take account of revenue added on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	14 April 2023 to 31 July 2024 £
Interim income distribution	6,047
Interim accumulation distribution	9,779
Final income distribution	12,204
Final accumulation distribution	20,025
	48,055
Equalisation:	
Amounts deducted on cancellation of shares	472
Amounts added on issue of shares	(2,218)
Total net distributions	46,309
Reconciliation between net revenue and distributions:	
Net revenue after taxation per Statement of total return	46,405
Undistributed revenue carried forward	(96)
Distributions	46,309

Details of the distribution per share are disclosed in the Distribution table.

Notes to the financial statements (continued)

for the period 14 April 2023 to 31 July 2024

7. Debtors

	2024
	£
Accrued revenue	4,679
Prepaid expenses	839
Recoverable income tax	356
	5,874
Payable from the ACD and associates	
Annual management charge rebate	2,884
Total debtors	8,758

8. Cash and bank balances

	2024
	£
Total cash and bank balances	27,664

9. Other creditors

	2024
	£
Other expenses:	
Safe custody fees	354
Audit fee	7,632
Non-executive directors' fees	804
FCA fee	7
Transaction charges	44
	8,841
Total other creditors	8,841

10. Commitments and contingent liabilities

At the balance sheet date there are no commitments or contingent liabilities.

11. Share classes

The following reflects the change in shares in issue in the period:

	Starhunter Fund 2 GBP Inc
Total shares issued in the period	4,582,338
Total shares cancelled in the period	(459,388)
Closing shares in issue	4,122,950

	Starhunter Fund 2 GBP Acc
Total shares issued in the period	6,565,460
Closing shares in issue	6,565,460

Further information in respect of the return per share is disclosed in the Comparative table.

On the winding up of a sub-fund all the assets of the sub-fund will be realised and apportioned to the share classes in relation to the net asset value on the closure date. Shareholders will receive their respective share of the proceeds, net of liabilities and the expenses incurred in the termination in accordance with the FCA regulations. Each share class has the same rights on winding up.

Notes to the financial statements (continued)

for the period 14 April 2023 to 31 July 2024

12. Related party transactions

Evelyn Partners Fund Solutions Limited, as ACD is a related party due to its ability to act in respect of the operations of the sub-fund.

The ACD acts as principal in respect of all transactions of shares in the sub-fund. The aggregate monies received and paid through the creation and cancellation of shares are disclosed in the Statement of change in net assets attributable to shareholders of the sub-fund.

Amounts payable to the ACD and its associates are disclosed in note 4. The amounts due from the ACD and its associates at the balance sheet date are disclosed in note 7.

13. Events after the balance sheet date

Subsequent to the period end, the net asset value per Starhunter Fund 2 GBP Inc share has increased from 110.9p to 113.8p and the Starhunter Fund 2 GBP Acc share has increased from 111.4p to 114.3p as at 15 October 2024. This movement takes into account routine transactions but also reflects the market movements of recent months.

14. Transaction costs

a Direct transaction costs

Direct transaction costs include fees and commissions paid to agents, advisers, brokers and dealers; levies by regulatory agencies and security exchanges; and transfer taxes and duties.

Commission is a charge which is deducted from the proceeds of the sale of securities and added to the cost of the purchase of securities. This charge is a payment to agents, advisers, brokers and dealers in respect of their services in executing the trades.

Tax is payable on the purchase of securities in the United Kingdom. It may be the case that 'other taxes' will be charged on the purchase of securities in countries other than the United Kingdom.

The total purchases and sales and the related direct transaction costs incurred in these transactions are as follows:

	Purchases before transaction costs	Commission		Taxes		Purchases after transaction costs
14 April 2023 to 31 July 2024	£	£	%	£	%	£
Bonds	850,233	1,275	0.15%	-	-	851,508
Collective Investment Schemes	11,206,492	7,170	0.06%	1	0.00%	11,213,663
Exchange Traded Commodities	538,751	808	0.15%	-	-	539,559
Total	12,595,476	9,253	0.36%	1	-	12,604,730

	Sales before transaction costs	Commission		Taxes		Sales after transaction costs
14 April 2023 to 31 July 2024	£	£	%	£	%	£
Collective Investment Schemes	1,943,990	(2,811)	0.14%	-	-	1,941,179
Total	1,943,990	(2,811)	0.14%	-	-	1,941,179

Notes to the financial statements (continued)
for the period 14 April 2023 to 31 July 2024

14. Transaction costs (continued)

a Direct transaction costs (continued)

Summary of direct transaction costs

The following represents the total of each type of transaction cost, expressed as a percentage of the sub-fund's average net asset value in the period:

14 April 2023 to 31 July 2024	£	% of average net asset value
Commission	12,064	0.12%
Taxes	1	0.00%

b Average portfolio dealing spread

The average portfolio dealing spread is calculated as the difference between the bid and offer value of the portfolio as a percentage of the offer value.

The average portfolio dealing spread of the investments at the balance sheet date was 0.06%.

15. Risk management policies

In pursuing the sub-fund's investment objective, as set out in the Prospectus, the following are accepted by the ACD as being the main risks from the sub-fund's holding of financial instruments, either directly or indirectly through its underlying holdings. These are presented with the ACD's policy for managing these risks. To ensure these risks are consistently and effectively managed these are continually reviewed by the risk committee, a body appointed by the ACD, which sets the risk appetite and ensures continued compliance with the management of all known risks.

a Market risk

Market risk is the risk that the value of the sub-fund’s financial instruments will fluctuate as a result of changes in market prices and comprise three elements: other price risk, currency risk, and interest rate risk.

(i) Other price risk

The sub-fund's exposure to price risk comprises mainly of movements in the value of investment positions in the face of price movements.

The main elements of the portfolio of investments exposed to this risk are collective investment schemes and exchange traded commodities.

This risk is generally regarded as consisting of two elements: stock specific risk and market risk. Through these two factors, the sub-fund is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy.

Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective of the sub-fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 31 July 2024, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £549,221.

Notes to the financial statements (continued)

for the period 14 April 2023 to 31 July 2024

15. Risk management policies (continued)

a Market risk (continued)

(ii) Currency risk

Currency risk is the risk that the value of investments or future cash flows will fluctuate as a result of exchange rate movements. Investment in overseas securities or holdings of foreign currency cash will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates against sterling. Investments in UK securities investing in overseas securities will give rise to indirect exposure to currency risk. These fluctuations can also affect the profitability of some UK companies, and thus their market prices, as sterling's relative strength or weakness can affect export prospects, the value of overseas earnings in sterling terms, and the prices of imports sold in the UK.

Forward currency contracts may be used to manage the portfolio exposure to currency movements.

The foreign currency risk profile of the sub-fund's financial instruments and cash holdings at the balance sheet date is as follows:

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2024	£	£	£
Euro	1,813,809	-	1,813,809
US dollar	886,903	-	886,903
Total foreign currency exposure	2,700,712	-	2,700,712

At 31 July 2024, if the value of sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £135,036.

(iii) Interest rate risk

Interest rate risk is the risk that the value of the sub-fund's investments will fluctuate as a result of interest rate changes.

During the period the sub-fund's direct exposure to interest rates consisted of cash and bank balances and interest bearing securities.

The sub-fund also has indirect exposure to interest rate risk as it invests in bond funds. The amount of revenue receivable from bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. The value of interest bearing securities may be affected by changes in the interest rate environment, either globally or locally. In the event of a change in interest rates, there would be no material impact upon the net assets of the sub-fund. The sub-fund would not in normal market conditions hold significant cash balances and would have limited borrowing capabilities as stipulated in the COLL rules.

Derivative contracts are not used to hedge against the exposure to interest rate risk.

Notes to the financial statements (continued)

for the period 14 April 2023 to 31 July 2024

15. Risk management policies (continued)

a Market risk (continued)

(iii) Interest rate risk (continued)

The interest rate risk profile of financial assets and liabilities at the balance sheet date is as follows:

	Variable rate financial assets	Fixed rate financial assets	Non-interest bearing financial assets	Non-interest bearing financial liabilities	Total
2024	£	£	£	£	£
Euro	-	-	1,813,809	-	1,813,809
UK sterling	27,664	881,702	8,292,471	(21,045)	9,180,792
US dollar	-	-	886,903	-	886,903
	27,664	881,702	10,993,183	(21,045)	11,881,504

b Credit risk

This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty risk and issuer risk.

The Depositary has appointed the custodian to provide custody services for the assets of the sub-fund. There is a counterparty risk that the custodian could cease to be in a position to provide custody services to the sub-fund. The sub-fund's investments (excluding cash) are ring fenced hence the risk is considered to be negligible.

In addition to the interest rate risk, bond investments are exposed to issuer risk which reflects the ability for the bond issuer to meet its obligations to pay interest and return the capital on the redemption date. Change in issuer risk will change the value of the investments and is dealt with further in note 15a. The debt securities held within the portfolio are investment grade bonds. These are made across a variety of industry sectors, and geographical markets, so as to avoid concentrations of credit risk. A breakdown is provided in the Portfolio statement. The credit quality of the debt securities is disclosed in the Portfolio statement.

The sub-fund holds cash and cash deposits with financial institutions which potentially exposes the sub-fund to counterparty risk. The credit rating of the financial institution is taken into account so as to minimise the risk to the sub-fund of default.

Holdings in collective investment schemes are subject to direct credit risk. The exposure to pooled investment vehicles is unrated.

c Liquidity risk

A significant risk is the cancellation of shares which investors may wish to sell and that securities may have to be sold in order to fund such cancellations if insufficient cash is held at the bank to meet this obligation. If there were significant requests for the redemption of shares at a time when a large proportion of the portfolio of investments were not easily tradable due to market volumes or market conditions, the ability to fund those redemptions would be impaired and it might be necessary to suspend dealings in shares in the sub-fund.

Investments in smaller companies at times may prove illiquid, as by their nature they tend to have relatively modest traded share capital. Shifts in investor sentiment, or the announcement of new price sensitive information, can provoke significant movement in share prices, and make dealing in any quantity difficult.

The sub-fund may also invest in securities that are not listed or traded on any stock exchange. In such situations the sub-fund may not be able to immediately sell such securities.

To reduce liquidity risk the ACD will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the sub-fund's assets consist of readily realisable securities. This is monitored on a monthly basis and reported to the Risk Committee together with historical outflows of the sub-fund.

In addition liquidity is subject to stress testing on an annual basis to assess the ability of the sub-fund to meet large redemptions, while still being able to adhere to its objective guidelines and the FCA investment borrowing regulations.

All of the financial liabilities are payable on demand.

Notes to the financial statements (continued)

for the period 14 April 2023 to 31 July 2024

15. Risk management policies (continued)

d 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.

To ensure this, the fair value pricing committee is a body appointed by the ACD to analyse, review and vote on price adjustments/maintenance where no current secondary market exists and/or where there are potential liquidity issues that would affect the disposal of an asset. In addition, the committee may also consider adjustments to the sub-fund's price should the constituent investments be exposed to closed markets during general market volatility or instability.

Basis of valuation	Investment assets 2024 £	Investment liabilities 2024 £
Quoted prices	4,871,363	-
Observable market data	6,994,764	-
Unobservable data	-	-
	11,866,127	-

No securities in the portfolio of investments are valued using valuation techniques.

e Assets subject to special arrangements arising from their illiquid nature

There are no assets held in the portfolio of investments which are subject to special arrangements arising from their illiquid nature.

f Derivatives

The sub-fund may employ derivatives with the aim of reducing the sub-fund's risk profile, reducing costs or generating additional capital or revenue, in accordance with Efficient Portfolio Management.

The ACD monitors that any exposure is covered globally to ensure adequate cover is available to meet the sub-fund's total exposure, taking into account the value of the underlying investments, any reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions.

In the period there was direct exposure to derivatives. On a daily basis, exposure is calculated in UK sterling using the commitment approach with netting applied where appropriate. The total global exposure figure is divided by the net asset value of the sub-fund to calculate the percentage global exposure. Global exposure is a risk mitigation technique that monitors the overall commitment to derivatives in the sub-fund at any given time and may not exceed 100% of the net asset value of the property of the sub-fund.

For certain derivative transactions cash margins may be required to be paid to the brokers with whom the trades were executed and settled. These balances are subject to daily reconciliations and are held by the broker in segregated cash accounts that are afforded client money protection.

(i) Counterparties

Transactions in securities give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. This risk is mitigated by the sub-fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition the sub-fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

The sub-fund may transact in derivative contracts which potentially exposes the sub-fund to counterparty risk from the counterparty not settling their side of the contract. Transactions involving derivatives are entered into only with investment banks and brokers with appropriate and approved credit rating, which are regularly monitored. Forward currency transactions are only undertaken with the custodians appointed by the Depositary.

Notes to the financial statements (continued)
for the period 14 April 2023 to 31 July 2024

15. Risk management policies (continued)

f Derivatives (continued)

(i) Counterparties (continued)

At the balance sheet date, there are no securities in the portfolio of investments subject to a repurchase agreement.

(ii) Leverage

The leverage is calculated as the sum of the net asset value and the incremental exposure generated through the use of derivatives (calculated in accordance with the commitment approach) divided by the net asset value.

There have been no leveraging arrangements in the period.

(iii) Global exposure

Global exposure is a measure designed to limit the leverage generated by a fund through the use of financial derivative instruments, including derivatives with embedded assets.

At the balance sheet date there is no global exposure to derivatives.

There have been no collateral arrangements in the period.

Distribution table

for the period 14 April 2023 to 31 July 2024

Interim distributions in pence per share

Group 1 - Shares purchased on 14 April 2023

Group 2 - Shares purchased 14 April 2023 to 31 January 2024

	Net revenue	Equalisation	Total distributions 31 March 2024
Starhunter Fund 2 GBP Inc			
Group 1	0.142	-	0.142
Group 2	0.142	-	0.142
Starhunter Fund 2 GBP Acc			
Group 1	0.174	-	0.174
Group 2	0.090	0.084	0.174

Final distributions in pence per share

Group 1 - Shares purchased before 1 February 2024

Group 2 - Shares purchased 1 February 2024 to 31 July 2024

	Net revenue	Equalisation	Total distributions 30 September 2024
Starhunter Fund 2 GBP Inc			
Group 1	0.296	-	0.296
Group 2	0.296	-	0.296
Starhunter Fund 2 GBP Acc			
Group 1	0.305	-	0.305
Group 2	0.181	0.124	0.305

Equalisation

Equalisation applies only to group 2 shares. It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to holders of these shares as a return of capital. Being capital it is not liable to income tax in the hands of the shareholders but must be deducted from the cost of shares for capital gains tax purposes.

Accumulation distributions

Holders of accumulation shares should add the distributions received thereon to the cost of the shares for capital gains tax purposes.

Remuneration

Remuneration code disclosure

The remuneration committee is responsible for setting the remuneration policy for all partners, directors and employees within Evelyn Partners Group Limited ('the Group'), including individuals designated as Material Risk Takers (MRTs) under the Remuneration Code. The remuneration policy is designed to be compliant with the Code and provides a framework to attract, retain, motivate and reward partners, directors and employees. The overall policy is designed to promote the long-term success of the group and to support prudent risk management, with particular attention to conduct risk.

Remuneration committee

The remuneration committee report contained in the Group Report and Financial Statements for the year ended 31 December 2023 includes details on the remuneration policy. The remuneration committee comprises five non-executive directors[1] and is governed by formal terms of reference, which are reviewed and agreed by the board. The committee met eight times during 2023.

Remuneration policy

The main principles of the remuneration policy are:

- to align remuneration with the strategy and performance of the business;
- to ensure that remuneration is set at an appropriate and competitive level taking into account market rates and practices;
- to foster and support conduct and behaviours which are in line with our culture and values;
- to maintain a sound risk management framework;
- to ensure that the ratio between fixed and variable remuneration is appropriate and does not encourage excessive risk taking;
- to comply with all relevant regulatory requirements; and
- to align incentive plans with the business strategy and shareholder interests.

The policy is designed to reward partners, directors and employees for delivery of both financial and non-financial objectives which are set in line with company strategy. As part of a "balanced scorecard" approach to variable remuneration non-financial criteria including, but not limited to, compliance and risk issues, client management, supervision, leadership and teamwork are considered alongside financial performance.

Remuneration systems

The committee reviews all partners' and directors' fixed and variable remuneration. In addition, it approves hurdles and awards in respect of equity incentive plans, namely a Deferred Option Plan, Equity Matching Plan, Matching Share Plan, Executive Long Term Incentive Plan and an Investment Management Long Term Incentive Plan.

The remuneration of partners is made up of a fixed profit share, discretionary bonus profit share and non-discretionary bonus profit share. The remuneration of employees typically comprises of a salary with benefits including pension contribution, life assurance, permanent health insurance, private medical insurance, SAYE scheme and a discretionary bonus scheme. Partners, directors and associate directors are also eligible to participate, at the invitation of the committee, in the equity incentive plans described above.

When setting variable remuneration for the executive directors, the committee considers overall business profit for the group and divisions, achievement of both financial and non-financial objectives (including adherence to the principles of treating customers fairly, conduct risk, compliance and regulatory rules), personal performance and any other relevant policy of the board in respect of the year ended 31 December 2023. The committee agrees the individual allocation of variable remuneration and the proportion of that variable remuneration to be awarded as restricted shares.

[1] Please note that the data provided for the independent non-executive directors is as at 31 December 2023. The data provided is for independent non-executive directors only.

Remuneration (continued)

Aggregate quantitative information

The total amount of remuneration paid by Evelyn Partners Fund Solutions Limited ('EPFL') is nil as EPFL has no employees. However, a number of employees have remuneration costs recharged to EPFL and the annualised remuneration for these 72 employees is £3.51 million of which £3.23 million is fixed remuneration. This is based on the salary and benefits for those identified as working in EPFL as at 31 December 2023. Any variable remuneration is awarded for the year ended 31 December 2023. This information excludes any senior management or other Material Risk Takers (MRTs) whose remuneration information is detailed below.

Evelyn Partners Group Limited reviews its MRTs at least annually. These individuals are employed by and provide services to other companies in the Group. It is difficult to apportion remuneration for these individuals in respect of their duties to EPFL. For this reason, the aggregate total remuneration awarded for the year 31 December 2023 for senior management and other MRTs detailed below has not been apportioned.

Table to show the aggregate remuneration split by Senior Management and other MRTs for EPFL	For the period 1 January 2023 to 31 December 2023				
	Fixed	Variable Cash	Variable Equity	Total	No. MRTs
	£'000	£'000	£'000	£'000	
Senior Management	3,518	1,662	-	5,180	18
Other MRTs	919	848	-	1,767	5
Total	4,437	2,510	-	6,947	23

Investment Manager

The ACD delegates the management of the Company's portfolio of assets to Stanhope Capital LLP and pays to the Investment Manager, out of the annual management charge, a monthly fee calculated on the total value of the portfolio of investments at each valuation point. The Investment Manager are compliant with the Capital Requirements Directive regarding remuneration and therefore their staff are covered by remuneration regulatory requirements.

Further information

Distributions and reporting dates

Where net revenue is available it will be distributed/allocated bi-annually on 30 September (final) and 31 March (interim). In the event of a distribution, shareholders will receive a tax voucher.

XD dates:	1 August	final
	1 February	interim
Reporting dates:	31 July	annual
	31 January	interim

Buying and selling shares

The property of the sub-funds are valued at 12 noon on the 15th and last business day of each month with the exception of any bank holiday in England and Wales, Christmas Eve and New Year's Eve or the last business day prior to those days annually, where the valuation may be carried out at a time agreed in advance between the ACD and the Depositary. Share dealing is on a forward basis i.e. investors can buy and sell shares at the next valuation point following receipt of the order.

Prices of shares and the estimated yield of the share classes are published on the following website: www.trustnet.com or may be obtained by calling 0141 222 1151.

Benchmark

Shareholders may compare the performance of the sub-funds against the ARC Sterling Steady Growth PCI. Shareholders comparison against this benchmark will give shareholders an indication of how the sub-funds are performing against an industry wide measure of portfolios with a similar strategy. The ACD has selected this comparator benchmark as the ACD believes it best reflects the asset allocation of the sub-funds.

The benchmark is not a target for the sub-funds, nor are the sub-funds constrained by the benchmark.

Appointments

ACD and Registered office
Evelyn Partners Fund Solutions Limited
45 Gresham Street
London EC2V 7BG
Telephone: 0207 131 4000
Authorised and regulated by the Financial Conduct Authority

Administrator and Registrar
Evelyn Partners Fund Solutions Limited
177 Bothwell Street
Glasgow G2 7ER
Telephone: 0141 222 1151 (Registration)
0141 222 1150 (Dealing)
Authorised and regulated by the Financial Conduct Authority

Directors of the ACD
Andrew Baddeley
Brian McLean
Mayank Prakash
Neil Coxhead

Independent Non-Executive Directors of the ACD
Dean Buckley
Linda Robinson
Sally Macdonald
Victoria Muir

Non-Executive Directors of the ACD
Paul Wyse - resigned 11 July 2023
Guy Swarbreck - appointed 21 August 2023

Investment Manager
Stanhope Capital LLP
35 Portman Square
London W1H 6LR
Authorised and regulated by the Financial Conduct Authority

Depositary
NatWest Trustee and Depositary Services Limited
House A, Floor 0
Gogarburn
175 Glasgow Road
Edinburgh EH12 1HQ
Authorised and regulated by the Financial Conduct Authority

Auditor
Johnston Carmichael LLP
Bishop's Court
29 Albyn Place
Aberdeen AB10 1YL