



# BetaShares

Exchange Traded Funds

30 September 2021

Market Announcements Office

ASX Limited

To be released for each of the ASX codes listed below

## ANNUAL FINANCIAL REPORT 2021

BetaShares Capital Ltd, the issuer of each of the following Funds, is pleased to provide the Annual Financial Report in respect of the Funds for the period ending 30 June 2021.

ASX Code	Fund
UMAX	BetaShares S&P 500 Yield Maximiser Fund (managed fund)
WRLD	BetaShares Managed Risk Global Share Fund (managed fund)
HEUR	BetaShares Europe ETF - Currency Hedged
HJPN	BetaShares Japan ETF - Currency Hedged
FUEL	BetaShares Global Energy Companies ETF - Currency Hedged
MNRS	BetaShares Global Gold Miners ETF - Currency Hedged
BNKS	BetaShares Global Banks ETF - Currency Hedged
DRUG	BetaShares Global Healthcare ETF - Currency Hedged
FOOD	BetaShares Global Agriculture ETF - Currency Hedged

Further information about the Funds can be obtained at [www.betashares.com.au](http://www.betashares.com.au) or by contacting BetaShares Client Services on 1300 487 577.

**IMPORTANT INFORMATION:** This information has been prepared by BetaShares Capital Ltd (ACN 139 566 868 AFS Licence 341181) ("BetaShares") the issuer of the Funds. It is general information only and does not take into account any person's objectives, financial situation or needs. The information does not constitute an offer of, or an invitation to purchase or subscribe for securities. You should read the relevant PDS and ASX announcements and seek professional legal, financial, taxation, and/or other professional advice before making an investment decision regarding any BetaShares Funds. For a copy of the PDS and more information about BetaShares Funds go to [www.betashares.com.au](http://www.betashares.com.au) or call 1300 487 577.

Units in BetaShares Funds trade on the ASX at market prices, not at NAV. An investment in any BetaShares Fund is subject to investment risk including possible delays in repayment and loss of income and principal invested. Neither BetaShares Capital Ltd nor BetaShares Holdings Pty Ltd guarantees the performance of any Fund or the repayment of capital or any particular rate of return. Past performance is not an indication of future performance. BetaShares® and Back Your View® are registered trademarks of BetaShares Holdings Pty Ltd.

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**Booklet 5B**

**BetaShares Global Agriculture Companies ETF - Currency Hedged - ASX Code: FOOD** (ARSN 609 246 611)

**BetaShares Global Banks ETF - Currency Hedged - ASX Code: BNKS** (ARSN 609 154 994)

**BetaShares Global Energy Companies ETF - Currency Hedged - ASX Code: FUEL** (ARSN 609 154 896)

**BetaShares Global Gold Miners ETF - Currency Hedged - ASX Code: MNRS** (ARSN 609 155 419)

**BetaShares Global Healthcare ETF - Currency Hedged - ASX Code: DRUG** (ARSN 609 155 124)

**BetaShares Managed Risk Global Share Fund (managed fund) - ASX Code: WRLD** (ARSN 608 056 962)

**BetaShares S&P 500 Yield Maximiser Fund (managed fund) - ASX Code: UMAX** (ARSN 169 906 530)

**BetaShares Europe ETF - Currency Hedged - ASX Code: HEUR** (ARSN 609 145 897)

**BetaShares Japan ETF - Currency Hedged - ASX Code: HJPN** (ARSN 609 146 269)

**Annual Financial Report**

**30 June 2021**

**Booklet 5B  
Annual Financial Report  
30 June 2021**

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## Directors' report

The directors of BetaShares Capital Ltd, the Responsible Entity of the following managed investment funds (the "Funds") present their report together with the annual financial report of the Funds for the year ended 30 June 2021 and the auditor's report thereon.

Fund name	Referred to in this document as	Financial reporting year	ARSN
BetaShares Global Agriculture Companies ETF - Currency Hedged	Global Agriculture Companies ETF	1 July 2020 to 30 June 2021	609 246 611
BetaShares Global Banks ETF - Currency Hedged	Global Banks ETF	1 July 2020 to 30 June 2021	609 154 994
BetaShares Global Energy Companies ETF - Currency Hedged	Global Energy Companies ETF	1 July 2020 to 30 June 2021	609 154 896
BetaShares Global Gold Miners ETF - Currency Hedged	Global Gold Miners ETF	1 July 2020 to 30 June 2021	609 155 419
BetaShares Global Healthcare ETF - Currency Hedged	Global Healthcare ETF	1 July 2020 to 30 June 2021	609 155 124
BetaShares Managed Risk Global Share Fund (managed fund)	Managed Risk Global Share Fund	1 July 2020 to 30 June 2021	608 056 962
BetaShares S&P 500 Yield Maximiser Fund (managed fund)	S&P 500 Yield Maximiser Fund	1 July 2020 to 30 June 2021	169 906 530
BetaShares Europe ETF - Currency Hedged	Europe ETF	1 July 2020 to 30 June 2021	609 145 897
BetaShares Japan ETF - Currency Hedged	Japan ETF	1 July 2020 to 30 June 2021	609 146 269

## Responsible Entity

The Responsible Entity of the Funds is BetaShares Capital Ltd (ABN 78 139 566 868). The Responsible Entity's registered office and principal place of business is Level 11, 50 Margaret Street, Sydney, NSW 2000.

## Principal activities

The principal activity of each Fund is to invest in accordance with the investment objective and guidelines as set out in the Fund's current Product Disclosure Statement and its Constitution.

The Funds did not have any employees during the year.

There were no significant changes in the nature of the Funds' activities during the financial year.

## Directors

The following persons held office as directors of BetaShares Capital Ltd during the year or since the end of the year and up to the date of this report:

Mr David Nathanson (appointed 21 September 2009, resigned 5 March 2021)  
Mr Alex Vynokur (appointed 21 September 2009)  
Mr Jason Gellert (appointed 5 March 2021)

Non-Executive directors:

Mr Junggho Rhee (appointed 1 September 2018, resigned 5 March 2021)  
Mr Young Hwan Kim (appointed 7 February 2020, resigned 5 March 2021)  
Mr Edward Sippel (appointed 5 March 2021)

## **Directors' report (continued)**

### **Review and results of operations**

During the year, the Funds continued to invest in accordance with target asset allocations as set out in their governing documents and in accordance with the provisions of the Funds' Constitutions. The results of operations of the Funds are disclosed in the statements of comprehensive income. The income distributions payable by each of the Funds are disclosed in the statements of financial position. The income distributions paid and payable by each of the Funds are disclosed in Note 4 to the financial statements.

### **Significant changes in state of affairs**

During the period, BetaShares Holdings Pty Ltd, the parent company of BetaShares Capital Ltd, underwent a change of control through an investment from TA Associates ("TA"), a leading global private equity firm. As part of the transaction, TA acquired the shares held by Mirae Asset Financial Group and other minority investors in BetaShares Holdings Pty Ltd.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Funds that occurred during the financial year.

### **Matters subsequent to the end of the financial year**

The uncertainty around COVID-19 continues to present social and economic challenges and the resulting impact on the global and domestic market remains uncertain. Since the reporting date, there have been no significant changes to the valuation of the Fund's investments as a result of COVID-19.

Subsequent to the end of the financial period, Citigroup Pty Ltd ("Cit") has been appointed to replace RBC Investor Services Trust ("RBC") as Custodian and Fund Administrator for the Funds, following RBC's decision to end its involvement in the Australian asset servicing market. The transition from RBC to Cit is expected to occur in late September or early October 2021.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect:

- (i) the operations of the Funds in future financial year; or
- (ii) the results of those operations in future financial year; or
- (iii) the state of affairs of the Funds in future financial year.

### **Likely developments and expected results of operations**

The results of the Funds' operations will be affected by a number of factors, including the performance of investment markets in which the Funds invest. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Further information on likely developments in the operation of the Funds and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Funds.

### **Directors' report (continued)**

#### **Indemnification and insurance of officers and auditors**

No insurance premiums are paid for out of the assets of the Funds in regard to insurance cover provided to either the officers of BetaShares Capital Ltd or the auditor of the Funds. So long as the officers of BetaShares Capital Ltd act in accordance with the Funds' Constitutions and the law, the officers remain indemnified out of the assets of the Funds against losses incurred while acting on behalf of the Funds. The auditor of the Funds is in no way indemnified out of the assets of the Funds.

#### **Fees paid to and interests held in the Funds by the Responsible Entity or its associates**

Fees paid to the Responsible Entity and its associates out of the Funds' property during the year are disclosed in Note 13 to the financial statements.

No fees were paid out of the Funds' property to the directors of the Responsible Entity during the year.

The number of interests in the Funds held by the Responsible Entity or its associates as at the end of the financial year are disclosed in Note 13 to the financial statements.

#### **Interests in the Funds**

The movement in units on issue in the Funds during the year is disclosed in Note 3 to the financial statements.

The value of the Funds' assets and liabilities is disclosed on the statements of financial position and derived using the basis set out in Note 2 to the financial statements.

#### **Environmental regulation**

The operations of the Funds are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

#### **Rounding of amounts to the nearest thousand dollars**

The Funds are entities of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that instrument, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

**Directors' report (continued)**

**Auditor's independence declaration**

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

This report is made in accordance with a resolution of the directors.



Alex Vynokur  
Director

Sydney  
22 September 2021



## Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001


To the Directors of BetaShares Capital Limited, as Responsible Entity for the Schemes:

BetaShares Global Agriculture Companies ETF - Currency Hedged	BetaShares Managed Risk Global Share Fund (managed fund)
BetaShares Global Banks ETF - Currency Hedged	BetaShares S&P 500 Yield Maximiser Fund (managed fund)
BetaShares Global Energy Companies ETF - Currency Hedged	BetaShares Europe ETF - Currency Hedged
BetaShares Global Gold Miners ETF - Currency Hedged	BetaShares Japan ETF - Currency Hedged
BetaShares Global Healthcare ETF - Currency Hedged	

I declare that, to the best of my knowledge and belief, in relation to the audit of the Schemes for the financial year ended 30 June 2021 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

  
KPMG

  
Nicholas Buchanan  
Partner  
Sydney

22 September 2021



Statements of comprehensive income  
For the year ended 30 June 2021

Statements of comprehensive income	Global Agriculture Companies ETF		Global Banks ETF		Global Energy Companies ETF		Global Gold Miners ETF		Global Healthcare ETF	
	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000
<b>Investment income</b>										
Interest income	-	417	-	1,156	-	4,051	-	175	-	677
Dividend/distribution income	561	-	1,342	-	10,965	-	1,050	-	1,638	-
Net gains/(losses) on financial instruments at fair value through profit or loss	7,329	(2,727)	12,643	(8,873)	76,581	(21,329)	(9,632)	6,911	13,955	3,224
Net foreign exchange gains/(losses)	(13)	(16)	5	26	(32)	(161)	25	(15)	(5)	(34)
Other operating income	23	1	57	25	199	311	80	17	35	14
<b>Total net investment income/(loss)</b>	<b>7,900</b>	<b>(2,325)</b>	<b>14,047</b>	<b>(7,666)</b>	<b>87,713</b>	<b>(17,128)</b>	<b>(8,477)</b>	<b>7,088</b>	<b>15,623</b>	<b>3,881</b>
<b>Expenses</b>										
Management fees	117	89	207	167	1,215	364	278	73	377	164
Expense recoveries	25	19	44	35	258	77	59	15	80	35
Transaction costs	12	4	19	16	130	130	61	20	14	8
Other operating expenses	14	18	19	25	19	18	13	10	21	16
<b>Total operating expenses</b>	<b>168</b>	<b>130</b>	<b>289</b>	<b>243</b>	<b>1,622</b>	<b>589</b>	<b>411</b>	<b>118</b>	<b>492</b>	<b>223</b>
<b>Profit/(loss) for the year</b>	<b>7,732</b>	<b>(2,455)</b>	<b>13,758</b>	<b>(7,909)</b>	<b>86,091</b>	<b>(17,717)</b>	<b>(8,888)</b>	<b>6,970</b>	<b>15,131</b>	<b>3,658</b>
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the year</b>	<b>7,732</b>	<b>(2,455)</b>	<b>13,758</b>	<b>(7,909)</b>	<b>86,091</b>	<b>(17,717)</b>	<b>(8,888)</b>	<b>6,970</b>	<b>15,131</b>	<b>3,658</b>

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

Booklet 5B  
Statements of comprehensive income  
For the year ended 30 June 2021  
(continued)

	Managed Risk Global Share Fund		S&P 500 Yield Maximiser Fund		Europe ETF		Japan ETF	
	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000
<b>Statements of comprehensive income</b>								
<b>Investment income</b>								
Interest income	751	17	1,190	6	791	451	789	700
Dividend/distribution income		1,227		1,713				
Net gains/(losses) on financial instruments at fair value through profit or loss	8,252	6	20,391	(7,269)	9,108	(962)	13,906	1
Net foreign exchange gains/(losses)	(620)	(92)	(86)	(140)	(127)	(7)	(97)	117
Other operating income	11	5	-	-	25	8	11	10
<b>Total net investment income/(loss)</b>	<b>8,394</b>	<b>1,163</b>	<b>21,495</b>	<b>(5,690)</b>	<b>9,797</b>	<b>(510)</b>	<b>14,609</b>	<b>828</b>
<b>Expenses</b>								
Management fees	191	227	517	525	173	137	249	172
Expense recoveries	82	97	185	191	17	13	24	18
Transaction costs	10	13	11	14	9	49	14	23
Other operating expenses	31	10	1	1	31	18	19	10
<b>Total operating expenses</b>	<b>314</b>	<b>347</b>	<b>714</b>	<b>731</b>	<b>230</b>	<b>217</b>	<b>306</b>	<b>223</b>
<b>Profit/(loss) for the year</b>	<b>8,080</b>	<b>816</b>	<b>20,781</b>	<b>(6,421)</b>	<b>9,567</b>	<b>(727)</b>	<b>14,303</b>	<b>605</b>
Other comprehensive income	-	-	-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the year</b>	<b>8,080</b>	<b>816</b>	<b>20,781</b>	<b>(6,421)</b>	<b>9,567</b>	<b>(727)</b>	<b>14,303</b>	<b>605</b>

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

Statements of financial position		Global Agriculture Companies ETF		Global Banks ETF		Global Energy Companies ETF		Global Gold Miners ETF		Global Healthcare ETF	
		30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000
<b>Assets</b>											
		86	23	212	65	718	281	235	64	168	42
	Cash and cash equivalents										
5	Financial assets at fair value through profit or loss	48,252	16,637	82,990	27,092	355,402	195,771	66,423	26,926	114,709	48,089
	Due from brokers - receivables for securities sold	-	8	-	-	-	103	-	-	-	-
6	Other receivables	103	65	130	67	1,059	613	58	1,342	231	1,430
	<b>Total assets</b>	<b>48,441</b>	<b>16,733</b>	<b>83,332</b>	<b>27,224</b>	<b>357,179</b>	<b>196,768</b>	<b>66,716</b>	<b>28,332</b>	<b>115,108</b>	<b>49,561</b>
<b>Liabilities</b>											
5	Financial liabilities at fair value through profit or loss	934	-	1,460	-	5,552	-	435	-	2,180	-
4	Distributions payable	1,658	-	2,251	-	10,120	3,401	1,866	622	5,114	318
	Due to brokers - payables for securities purchased	-	-	-	-	-	-	-	1,264	-	1,175
	Other payables	23	10	42	14	174	102	36	13	57	26
	<b>Total liabilities (excluding net assets attributable to unitholders)</b>	<b>2,615</b>	<b>10</b>	<b>3,753</b>	<b>14</b>	<b>15,846</b>	<b>3,503</b>	<b>2,337</b>	<b>1,899</b>	<b>7,351</b>	<b>1,519</b>
3	<b>Net assets attributable to unitholders - equity</b>	<b>45,826</b>	<b>16,723</b>	<b>79,579</b>	<b>27,210</b>	<b>341,333</b>	<b>193,265</b>	<b>64,379</b>	<b>26,433</b>	<b>107,757</b>	<b>48,042</b>

The above statements of financial position should be read in conjunction with the accompanying notes.

Booklet 5B  
Statements of financial position  
As at 30 June 2021  
(continued)

Statements of financial position	Notes	Managed Risk Global Share Fund		S&P 500 Yield Maximiser Fund		Europe ETF		Japan ETF	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>									
Cash and cash equivalents		759	4,387	2,907	1,620	114	180	123	275
Financial assets at fair value through profit or loss	5	35,660	54,133	110,576	82,549	46,972	21,961	71,422	31,226
Due from brokers - receivables for securities sold		-	-	-	-	-	3,148	-	-
Other receivables	6	76	160	29	23	66	37	95	56
<b>Total assets</b>		<b>36,495</b>	<b>58,680</b>	<b>113,512</b>	<b>84,192</b>	<b>47,152</b>	<b>25,326</b>	<b>71,640</b>	<b>31,557</b>
<b>Liabilities</b>									
Financial liabilities at fair value through profit or loss	5	54	375	1,350	220	-	-	1,073	-
Distributions payable	4	-	-	1,409	1,835	2,115	3,165	3,843	-
Due to brokers - receivables for securities purchased		-	-	-	-	-	-	-	-
Other payables		17	28	84	65	24	14	34	17
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>71</b>	<b>403</b>	<b>2,843</b>	<b>2,120</b>	<b>2,139</b>	<b>3,179</b>	<b>4,950</b>	<b>17</b>
<b>Net assets attributable to unitholders - equity</b>	3	<b>36,424</b>	<b>58,277</b>	<b>110,669</b>	<b>82,072</b>	<b>45,013</b>	<b>22,147</b>	<b>66,690</b>	<b>31,540</b>

The above statements of financial position should be read in conjunction with the accompanying notes.

Booklet 5B  
Statements of changes in equity  
For the year ended 30 June 2021

Statements of changes in equity	Notes	Global Agriculture Companies ETF		Global Banks ETF		Global Energy Companies ETF		Global Gold Miners ETF		Global Healthcare ETF	
		30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000
<b>Total equity at the beginning of the year</b>	3	16,723	20,480	27,210	53,108	193,265	28,967	26,433	8,511	48,042	31,067
<b>Comprehensive income for the year</b>											
Profit/(loss) for the year		7,732	(2,455)	13,758	(7,909)	86,091	(17,717)	(8,888)	6,970	15,131	3,658
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>7,732</b>	<b>(2,455)</b>	<b>13,758</b>	<b>(7,909)</b>	<b>86,091</b>	<b>(17,717)</b>	<b>(8,888)</b>	<b>6,970</b>	<b>15,131</b>	<b>3,658</b>
<b>Transactions with unitholders</b>											
Applications	3	23,151	-	45,628	7,895	118,856	201,791	56,587	12,489	49,855	17,415
Redemptions	3	-	(1,195)	(4,418)	(25,204)	(42,737)	(15,723)	(7,766)	(915)	-	(3,665)
Units issued upon reinvestment of distributions	3	9	10	12	20	81	3	45	-	46	10
Distributions to unitholders	3,4	(1,789)	(117)	(2,611)	(700)	(14,223)	(4,056)	(2,032)	(622)	(5,317)	(443)
<b>Total transactions with unitholders</b>		<b>21,371</b>	<b>(1,302)</b>	<b>38,611</b>	<b>(17,989)</b>	<b>61,977</b>	<b>182,015</b>	<b>46,834</b>	<b>10,952</b>	<b>44,584</b>	<b>13,317</b>
<b>Total equity at the end of the year</b>	3	<b>45,826</b>	<b>16,723</b>	<b>79,579</b>	<b>27,210</b>	<b>341,333</b>	<b>193,265</b>	<b>64,379</b>	<b>26,433</b>	<b>107,757</b>	<b>48,042</b>

The above statements of changes in equity should be read in conjunction with the accompanying notes.

Booklet 5B  
Statements of changes in equity  
For the year ended 30 June 2021  
(continued)

Statements of changes in equity	Managed Risk Global Share Fund		S&P 500 Yield Maximiser Fund		Europe ETF		Japan ETF	
	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000
Total equity at the beginning of the year	58,277	61,759	82,072	89,205	22,147	36,046	31,540	39,513
Comprehensive income for the year	8,080	816	20,781	(6,421)	9,567	(727)	14,303	605
Profit/(loss) for the year	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the year	8,080	816	20,781	(6,421)	9,567	(727)	14,303	605
Transactions with unitholders								
Applications	11,659	8,051	15,083	10,451	16,500	1,971	26,069	8,012
Redemptions	(41,110)	(11,507)	(1,860)	(5,735)	(1,154)	(11,978)	(1,242)	(16,382)
Units issued upon reinvestment of distributions	11	102	595	484	128	-	2	6
Distributions to unitholders	(493)	(944)	(6,002)	(5,912)	(2,175)	(3,165)	(3,982)	(214)
Total transactions with unitholders	(29,933)	(4,298)	7,816	(712)	13,299	(13,172)	20,847	(8,578)
Total equity at the end of the year	36,424	58,277	110,669	82,072	45,013	22,147	66,690	31,540

The above statements of changes in equity should be read in conjunction with the accompanying notes.

Booklet 5B  
Statements of cash flows  
For the year ended 30 June 2021

Statements of cash flows	Global Agriculture Companies ETF		Global Banks ETF		Global Energy Companies ETF		Global Gold Miners ETF		Global Healthcare ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>										
Proceeds from sale of financial instruments at fair value through profit or loss	13,162	6,925	15,473	33,214	160,605	37,334	26,647	5,452	23,742	13,128
Payments for purchase of financial instruments at fair value through profit or loss	(36,520)	(5,894)	(57,264)	(16,269)	(238,035)	(225,872)	(76,581)	(15,726)	(75,408)	(25,902)
Distributions/dividends received	526	394	1,282	1,228	10,549	3,521	1,020	164	1,553	634
Interest income received	-	-	-	-	-	-	-	-	-	-
Other operating income received	23	1	57	25	199	311	80	17	35	14
Management fees paid	(109)	(88)	(189)	(173)	(1,181)	(307)	(266)	(66)	(361)	(156)
Expense recoveries paid	(23)	(18)	(40)	(37)	(251)	(65)	(57)	(15)	(76)	(34)
Transaction costs paid	(12)	(4)	(19)	(16)	(130)	(130)	(61)	(20)	(14)	(8)
Other operating expenses paid	(14)	(19)	(16)	(30)	(18)	(17)	(12)	(10)	(20)	(16)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>7</b>	<b>1,297</b>	<b>(40,716)</b>	<b>17,942</b>	<b>(68,262)</b>	<b>(185,225)</b>	<b>(49,230)</b>	<b>(10,204)</b>	<b>(50,549)</b>	<b>(12,340)</b>
<b>Cash flows from financing activities</b>										
Proceeds from applications by unitholders	23,151	-	45,628	7,895	118,856	201,791	57,909	11,167	51,149	16,121
Payments for redemptions by unitholders	-	(1,195)	(4,418)	(26,470)	(42,737)	(15,723)	(7,766)	(915)	-	(3,665)
Distributions paid	(122)	(107)	(348)	(680)	(7,423)	(652)	(743)	-	(475)	(115)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>22,029</b>	<b>(1,302)</b>	<b>40,862</b>	<b>(19,255)</b>	<b>68,696</b>	<b>185,416</b>	<b>49,400</b>	<b>10,252</b>	<b>50,674</b>	<b>12,341</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>62</b>	<b>(5)</b>	<b>146</b>	<b>(1,313)</b>	<b>434</b>	<b>191</b>	<b>170</b>	<b>48</b>	<b>125</b>	<b>1</b>
Cash and cash equivalents at the beginning of the financial year	23	28	65	1,378	281	91	64	16	42	41
Effects of foreign currency exchange rate changes on cash and cash equivalents	1	-	1	-	3	(1)	1	-	1	-
<b>Cash and cash equivalents at the end of the financial year</b>	<b>86</b>	<b>23</b>	<b>212</b>	<b>65</b>	<b>718</b>	<b>281</b>	<b>235</b>	<b>64</b>	<b>168</b>	<b>42</b>
<b>Non-cash financing activities</b>										
Units issued upon reinvestment of distributions	9	10	12	20	81	3	45	-	46	10

The above statements of cash flows should be read in conjunction with the accompanying notes.

Booklet 5B  
Statements of cash flows  
For the year ended 30 June 2021  
(continued)

Statements of cash flows	Managed Risk Global Share Fund		S&P 500 Yield Maximiser Fund		Europe ETF		Japan ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>								
Proceeds from sales of financial instruments at fair value through profit or loss	37,587	16,148	1,624	10,111	10,882	50,161	14,493	62,285
Payments for purchases of financial instruments at fair value through profit or loss	(12,043)	(10,395)	(8,247)	(10,581)	(23,765)	(40,769)	(39,811)	(54,397)
Distributions/dividends received	833	1,390	1,191	1,713	765	417	755	649
Interest income received	-	18	-	6	-	-	-	-
Other operating income received	11	5	-	-	25	8	11	10
Management fees paid	(197)	(225)	(507)	(523)	(167)	(127)	(238)	(162)
Expense recoveries paid	(84)	(97)	(183)	(190)	(16)	(12)	(23)	(19)
Transaction costs paid	(10)	(13)	(11)	(14)	(9)	(49)	(14)	(23)
Other operating expenses paid	(32)	(10)	(1)	(1)	(31)	(18)	(19)	(10)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>26,065</b>	<b>6,821</b>	<b>(6,134)</b>	<b>521</b>	<b>(12,316)</b>	<b>9,611</b>	<b>(24,846)</b>	<b>8,333</b>
	7							
<b>Cash flows from financing activities</b>								
Proceeds from applications by unitholders	11,659	8,051	15,083	10,451	16,500	1,971	26,069	8,012
Payments for redemptions by unitholders	(41,110)	(11,507)	(1,860)	(5,735)	(1,154)	(11,978)	(1,242)	(16,382)
Distributions paid	(482)	(842)	(5,833)	(4,871)	(3,097)	-	(137)	(208)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(29,933)</b>	<b>(4,298)</b>	<b>7,390</b>	<b>(155)</b>	<b>12,249</b>	<b>(10,007)</b>	<b>24,690</b>	<b>(8,578)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(3,868)</b>	<b>2,523</b>	<b>1,256</b>	<b>366</b>	<b>(67)</b>	<b>(396)</b>	<b>(156)</b>	<b>(245)</b>
Cash and cash equivalents at the beginning of the financial year	4,387	2,076	1,620	1,242	180	577	275	523
Effects of foreign currency exchange rate changes on cash and cash equivalents	240	(212)	31	12	1	(1)	4	(3)
<b>Cash and cash equivalents at the end of the financial year</b>	<b>759</b>	<b>4,387</b>	<b>2,907</b>	<b>1,620</b>	<b>114</b>	<b>180</b>	<b>123</b>	<b>275</b>
<b>Non-cash financing activities</b>								
Units issued upon reinvestment of distributions	11	102	595	484	128	-	2	6

The above statements of cash flows should be read in conjunction with the accompanying notes.



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## 1 General information

These financial statements cover the following managed investment funds (the "Funds"). The Funds are registered managed investment schemes under the *Corporations Act 2001*. The Responsible Entity cannot issue or redeem any units from the 80th anniversary of the day before the day the Funds commenced if that issue or redemption would cause a contravention of the rule against perpetuities or any other rule of law or equity. The Funds may be terminated in accordance with the provisions of their Constitutions. The Funds are domiciled in Australia.

Abbreviated Fund name	Registered date	Commenced date	Financial reporting year
Global Agriculture Companies ETF	12 November 2015	2 August 2016	1 July 2020 to 30 June 2021
Global Banks ETF	16 November 2015	28 July 2016	1 July 2020 to 30 June 2021
Global Energy Companies ETF	16 November 2015	16 June 2016	1 July 2020 to 30 June 2021
Global Gold Miners ETF	16 November 2015	27 July 2016	1 July 2020 to 30 June 2021
Global Healthcare ETF	11 November 2015	4 August 2016	1 July 2020 to 30 June 2021
Managed Risk Global Share Fund	11 September 2015	16 December 2015	1 July 2020 to 30 June 2021
S&P 500 Yield Maximiser Fund	16 June 2014	17 September 2014	1 July 2020 to 30 June 2021
Europe ETF	11 November 2015	10 May 2016	1 July 2020 to 30 June 2021
Japan ETF	11 November 2015	10 May 2016	1 July 2020 to 30 June 2021

The Responsible Entity of the Funds is BetaShares Capital Ltd (the "Responsible Entity"). The Responsible Entity's registered office is Level 11, 50 Margaret Street, Sydney, NSW 2000.

The financial statements were authorised for issue by the directors of the Responsible Entity on 22 September 2021. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

The financial statements are presented in Australian dollars, which are the Funds' functional currency.

## 2 Summary of significant accounting policies

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

### (a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001* in Australia.

The Funds operated solely in one segment which is the business of investment management within Australia.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The statement of financial position are presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets and liabilities at fair value through profit or loss and net assets attributable to unitholders.

## 2 Summary of significant accounting policies (continued)

### (a) Basis of preparation (continued)

#### *Compliance with International Financial Reporting Standards*

The financial statements of the Funds also comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

#### *Use of estimates and judgement*

Management make estimates and assumptions that affect the reported amounts in the financial statements. These estimates and assumptions are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

For the majority of the Funds' financial instruments, quoted market prices are readily available. However, certain financial instruments are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and regularly reviewed by experienced personnel of the Responsible Entity, independent of the area that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

For certain other financial instruments, including amounts due from/to brokers and payables, the carrying amounts approximate fair value due to the short-term nature of these financial instruments.

#### *Investment entity exception*

The Funds meet the definition of an investment entity and therefore apply the investment entity amendments to AASB 10 *Consolidated Financial Statements* ("AASB 10"), AASB 12 *Disclosure of Interests in Other Entities* and AASB 127 *Separate Financial Statements*. AASB 10 is applicable to all investees; among other things, it requires the consolidation of an investee if the Funds control the investee on the basis of de facto circumstances. An exception however exists where an entity meets the definition of an investment entity.

The Funds meet the definition of investment entity due to the following factors:

- (a) the Funds obtain funds from one or more unitholders for the purpose of providing the unitholders with investment management services;
- (b) the Funds commit to their unitholders that their business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- (c) the Funds measure and evaluate the performance of substantially all of their investments on a fair value basis.

## 2 Summary of significant accounting policies (continued)

### (a) Basis of preparation (continued)

#### *Investment entity exception (continued)*

In making the above assessments, the Funds have multiple investments and multiple investors. Their investors are generally unrelated parties of the Funds. Unitholders invest for returns from capital appreciation, investment income, or both. Directors of the Responsible Entity have concluded that the Funds meet the definition of investment entity.

#### *Assessment of the Funds' investments as structured entities*

The Funds have assessed whether the securities in which they invest are structured entities. The Funds have considered the voting rights and other similar rights afforded to investors in these funds, including the rights to remove the fund manager or redeem holdings. The Funds have assessed whether these rights are the dominant factor in controlling the funds, or whether the contractual agreement with the fund manager is the dominant factor in controlling these funds. The Funds have concluded that the managed investment funds in which they invest are not structured entities.

### (b) Australian accounting standards and interpretations

There are no new accounting standards that are not yet effective and that are expected to have a material impact on the Funds in the prior periods, or will affect the current or future reporting periods, or will have an impact on foreseeable future transactions.

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2021, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Funds.

### (c) Financial instruments

#### (i) Classification

The Funds classify their investments based on their business model for managing those financial assets and their contractual cash flow characteristics. The Funds' portfolios of financial assets are managed and their performance is evaluated on a fair value basis in accordance with the Funds' documented investment strategy. The Funds evaluate the information about their investments on a fair value basis together with other related financial information.

Equity securities and derivatives are measured at fair value through profit or loss.

For debt securities, the contractual cash flows are solely payments of principal and interest, however, they are neither held for collecting contractual cash flows nor held for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Funds' business model objective. Consequently, the debt securities are measured at fair value through profit or loss.

## 2 Summary of significant accounting policies (continued)

### (c) Financial instruments (continued)

#### (ii) Recognition/derecognition

The Funds recognise financial assets and financial liabilities on the date they become party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments have expired or the Funds have transferred substantially all risks and rewards of ownership.

#### (iii) Measurement

At initial recognition, the Funds measure a financial asset at its fair value. Transaction costs are expensed in the statements of comprehensive income as incurred.

Subsequent to initial recognition, all financial assets and financial liabilities are measured at fair value. Gains and losses arising from changes in the fair value measurement are presented in the statements of comprehensive income within net gains/(losses) on financial instruments at fair value through profit or loss during the financial year.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### • Fair value in an active market

The fair value of financial assets and liabilities traded in active markets is subsequently based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. The quoted market price used for financial assets and liabilities is the last traded price.

#### • Fair value in an inactive or unquoted market

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. The Funds use a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used may include the use of comparable recent arms length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models or any other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

#### (iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

## 2 Summary of significant accounting policies (continued)

### (d) Net assets attributable to unitholders

The Schemes consider their net assets attributable to unitholders as equity as each Scheme had made an irrevocable choice to be an Attribution Managed Investment Trust ("AMIT"). Units are normally redeemable only by unitholders being Authorised Participants at the unitholders' option (other unitholders only have a right to redeem units in special circumstances). The units can be put back to the Funds at any time (subject to the *Corporations Act 2001* and the Funds' Constitutions) for cash based on the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the end of the reporting year if unitholders exercised their right to redeem units in the Funds.

### (e) Cash and cash equivalents

For the purpose of presentation in the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. The carrying amount of cash approximates fair value.

### (f) Investment income

Interest income earned on cash balances is recognised on an accrual basis in the statements of comprehensive income using the nominated interest rates available on the bank accounts held.

Dividend income is recognised on the ex-dividend date with any related foreign withholding tax recorded as an expense. The Funds currently incur withholding tax imposed by certain countries on investment income. Such income is recorded net of withholding tax in the statements of comprehensive income.

Trust distributions are recognised on an entitlements basis and stated net of foreign withholding tax.

### (g) Expenses

All expenses are recognised in the statements of comprehensive income on an accruals basis.

### (h) Income tax

The Funds are not subject to income tax as all taxable income and other relevant amounts are attributed to unitholders in each financial year under the AMIT tax regime. Such amounts form part of unitholders' assessable incomes for the relevant financial year.

### (i) Distributions

In accordance with the Funds' Constitutions, the Funds distribute income adjusted for amounts determined by the Responsible Entity, to unitholders by cash or reinvestment.

The distributions are recognised in the statements of changes in equity as transactions with unitholders.

## 2 Summary of significant accounting policies (continued)

### (l) Foreign currency translation

#### (i) *Functional and presentation currency*

Items included in the Funds' financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Funds compete for funds and is regulated. The Australian dollar is also the Funds' presentation currency.

#### (ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of comprehensive income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in the statements of comprehensive income on a net basis within net gains/(losses) on financial instruments at fair value through profit or loss.

### (k) Due from/to brokers

Amounts due from/to brokers (if applicable) represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the period. Trades are recorded on trade date, and for equities normally settled between one to three business days. A provision for impairment of amounts due from brokers is established when there is objective evidence that the Funds will not be able to collect all amounts due from the relevant broker. Indicators that the amount due from brokers is impaired include significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation and default in payments.

### (l) Receivables

Receivables may include amounts for dividends, interest and trust distributions. Dividends and trust distributions are accrued when the right to receive payment is established. Interest is accrued at the end of each reporting period from the time of last payment in accordance with the policy set out in Note 2(f) above. The Funds' receivables are measured at amortised cost under AASB 9 and the impact of any expected credit losses (ECL) is not material as amounts are generally received within 30 days of being recorded as receivables. The carrying amount of receivables approximates fair value.

### (m) Payables

Payables include liabilities and accrued expenses owing by the Funds which are unpaid as at the end of the reporting period.

The distribution amount payable to unitholders as at the end of each reporting period is recognised separately in the statements of financial position when unitholders are presently entitled to the distributable income.

## 2 Summary of significant accounting policies (continued)

### (n) Applications and redemptions

Applications received for units in the Funds are recorded net of any entry fees payable (if applicable) prior to the issue of units in the Funds. Redemptions from the Funds are recorded gross of any exit fees payable (if applicable) after the cancellation of units redeemed.

### (o) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Funds by third parties such as custodial services and investment management fees have been passed onto the Funds. The Funds qualify for Reduced Input Tax Credits (RITC) at a rate of 55% to 85%; hence investment management fees, custodial fees and other expenses have been recognised in the statements of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the statements of financial position. Cash flows relating to GST are included in the statements of cash flows on a gross basis.

### (p) Rounding of amounts

The Funds are an entity of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise indicated.

## 3 Net assets attributable to unitholders

Under AASB 132 *Financial Instrument: Presentation*, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. The Funds shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions.

Movements in the number of units and net assets attributable to unitholders during the year were as follows:

	Global Agriculture Companies ETF		Global Banks ETF	
	30 June 2021 Units '000	30 June 2021 '000	30 June 2021 Units '000	30 June 2021 '000
<b>Net assets attributable to unitholders</b>				
Opening balance	3,416	16,723	5,819	27,210
Applications	3,200	23,151	7,200	45,628
Redemptions	-	(200)	(800)	(4,418)
Units issued upon reinvestment of distributions	1	9	2	12
Distributions to unitholders	-	(1,789)	-	(2,611)
Profit/(loss) for the year	-	7,732	-	13,758
<b>Closing balance</b>	<b>6,617</b>	<b>45,826</b>	<b>12,221</b>	<b>79,579</b>
		16,723	5,819	27,210
		20,480	8,216	53,108
		-	1,600	7,895
		(1,195)	(4,000)	(25,204)
		10	3	20
		(117)	-	(700)
		(2,455)	-	(7,909)



**3 Net assets attributable to unitholders (continued)**

	Global Energy Companies ETF			Global Gold Miners ETF		
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	Units '000	Units '000	Units '000	Units '000	\$'000	\$'000
<b>Net assets attributable to unitholders</b>						
Opening balance	54,610	5,010	193,265	28,967	2,000	8,511
Applications	33,400	52,799	118,856	201,791	2,200	12,489
Redemptions	(11,800)	(3,200)	(42,737)	(15,723)	(200)	(915)
Units issued upon reinvestment of distributions	22	1	81	3	-	-
Distributions to unitholders	-	-	(14,223)	(4,056)	-	(622)
Profit/(loss) for the year	-	-	86,091	(17,717)	-	(8,888)
<b>Closing balance</b>	<b>76,232</b>	<b>54,610</b>	<b>341,333</b>	<b>193,265</b>	<b>4,000</b>	<b>26,433</b>

	Global Healthcare ETF			Managed Risk Global Share Fund		
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	Units '000	Units '000	Units '000	Units '000	\$'000	\$'000
<b>Net assets attributable to unitholders</b>						
Opening balance	7,412	5,210	48,042	31,067	4,824	61,759
Applications	7,200	2,800	49,855	17,415	600	8,051
Redemptions	-	(600)	-	(3,665)	(900)	(11,507)
Units issued upon reinvestment of distributions	7	2	46	10	8	102
Distributions to unitholders	-	-	(5,317)	(443)	-	(944)
Profit/(loss) for the year	-	-	15,131	3,658	-	816
<b>Closing balance</b>	<b>14,619</b>	<b>7,412</b>	<b>107,757</b>	<b>48,042</b>	<b>4,532</b>	<b>58,277</b>

### 3 Net assets attributable to unitholders (continued)

	S&P 500 Yield Maximiser Fund			Europe ETF		
	30 June 2021 Units '000	30 June 2020 Units '000	30 June 2021 \$'000	30 June 2020 Units '000	30 June 2021 Units '000	30 June 2020 \$'000
<b>Net assets attributable to unitholders</b>						
Opening balance	4,745	4,520	82,072	2,105	2,805	22,147
Applications	800	500	15,083	1,400	200	16,500
Redemptions	(100)	(300)	(1,860)	(100)	(900)	(1,154)
Units issued upon reinvestment of distributions	33	25	595	12	-	128
Distributions to unitholders	-	-	(6,002)	-	-	(3,165)
Profit/(loss) for the year	-	-	20,781	-	-	9,567
<b>Closing balance</b>	<b>5,478</b>	<b>4,745</b>	<b>110,669</b>	<b>3,417</b>	<b>2,105</b>	<b>45,013</b>

#### Japan ETF

	30 June 2021 Units '000	30 June 2020 Units '000	30 June 2021 \$'000	30 June 2020 \$'000
<b>Net assets attributable to unitholders</b>				
Opening balance	2,606	3,406	31,540	39,513
Applications	1,800	699	26,069	8,012
Redemptions	(100)	(1,500)	(1,242)	(16,382)
Units issued upon reinvestment of distributions	-	1	2	6
Distributions to unitholders	-	-	(3,982)	(214)
Profit/(loss) for the year	-	-	14,303	605
<b>Closing balance</b>	<b>4,306</b>	<b>2,606</b>	<b>66,690</b>	<b>31,540</b>

#### Capital risk management

The Funds consider their net assets attributable to unitholders as equity. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Funds are subject to daily applications and redemptions at the discretion of eligible unitholders.

The daily issues and withdrawals of units are reviewed relative to the liquidity of the Funds' underlying assets on a daily basis by the Responsible Entity. Under the terms of the Funds' governing rules, the Responsible Entity may suspend the issue or withdrawal of units in certain circumstances.

#### 4 Distributions to unitholders

The distributions for the year were as follows:

	Global Agriculture Companies ETF			Global Banks ETF		
	30 June 2021 \$'000	30 June 2020 CPU	30 June 2021 \$'000	30 June 2020 CPU	30 June 2021 CPU	30 June 2020 \$'000
Distributions paid - December	131	3.85	117	3.42	6.19	700
Distributions payable - June	1,658	25.05	-	-	18.42	-
<b>Total distributions</b>	<b>1,789</b>	<b>28.90</b>	<b>117</b>	<b>3.42</b>	<b>24.61</b>	<b>700</b>
						<b>12.47</b>

	Global Energy Companies ETF			Global Gold Miners ETF		
	30 June 2021 \$'000	30 June 2020 CPU	30 June 2021 \$'000	30 June 2020 CPU	30 June 2021 CPU	30 June 2020 \$'000
Distributions paid - December	4,103	5.68	655	5.03	1.72	-
Distributions payable - June	10,120	13.28	3,401	6.23	17.59	622
<b>Total distributions</b>	<b>14,223</b>	<b>18.96</b>	<b>4,056</b>	<b>11.26</b>	<b>19.31</b>	<b>622</b>
						<b>15.55</b>

	Global Healthcare ETF			Managed Risk Global Share Fund		
	30 June 2021 \$'000	30 June 2020 CPU	30 June 2021 \$'000	30 June 2020 CPU	30 June 2021 CPU	30 June 2020 \$'000
Distributions paid - December	203	1.66	125	2.49	11.12	944
Distributions payable - June	5,114	34.98	318	4.29	-	-
<b>Total distributions</b>	<b>5,317</b>	<b>36.64</b>	<b>443</b>	<b>6.78</b>	<b>11.12</b>	<b>944</b>
						<b>18.80</b>

4 Distributions to unitholders (continued)

	S&P 500 Yield Maximiser Fund			Europe ETF <sup>1</sup>		
	30 June 2021	30 June 2020	30 June 2021	30 June 2021	30 June 2020	30 June 2020
	\$'000	\$'000	CPU	\$'000	\$'000	CPU
Distributions paid - September	1,464	1,209	30.80	-	-	-
Distributions paid - December	1,649	1,395	33.22	60	1.99	-
Distributions paid - March	1,480	1,473	28.63	-	-	-
Distributions payable - June	1,409	1,835	25.73	2,115	61.89	150.32
<b>Total distributions</b>	<b>6,002</b>	<b>5,912</b>	<b>118.38</b>	<b>2,175</b>	<b>63.88</b>	<b>150.32</b>

Japan ETF

	30 June 2021	30 June 2020	30 June 2020
	CPU	CPU	CPU
Distributions paid - December	139	3.87	214
Distributions payable - June	3,843	89.24	-
<b>Total distributions</b>	<b>3,982</b>	<b>93.11</b>	<b>214</b>

The distribution information shown above refers to cash distributions paid by the relevant Fund for the period. Under the AMIT tax rules, a Fund may distribute cash that is different to the taxable income attributed by the Fund to unitholders.

5 Financial assets and liabilities at fair value through profit or loss

	Global Agriculture Companies ETF		Global Banks ETF		Global Energy Companies ETF		Global Gold Miners ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss	48,252	16,165	82,990	26,526	355,402	191,044	66,423	26,333
Listed securities	-	472	-	566	-	4,727	-	593
Foreign currency contracts	-	-	-	-	-	-	-	-
<b>Total financial assets at fair value through profit or loss</b>	<b>48,252</b>	<b>16,637</b>	<b>82,990</b>	<b>27,092</b>	<b>355,402</b>	<b>195,771</b>	<b>66,423</b>	<b>26,926</b>
Financial liabilities at fair value through profit or loss	934	-	1,460	-	5,552	-	435	-
Foreign currency contracts	934	-	1,460	-	5,552	-	435	-
<b>Total financial liabilities at fair value through profit or loss</b>	<b>934</b>	<b>-</b>	<b>1,460</b>	<b>-</b>	<b>5,552</b>	<b>-</b>	<b>435</b>	<b>-</b>

<sup>1</sup> BetaShares Europe ETF - Currency Hedged is a half-yearly distributing fund.

5 Financial assets and liabilities at fair value through profit or loss (continued)

	Global Healthcare ETF		Managed Risk Global Share Fund		S&P 500 Yield Maximiser Fund		Europe ETF	
	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000
<b>Financial assets at fair value through profit or loss</b>								
Listed securities	114,709	46,801	35,650	53,955	110,576	82,549	46,967	21,527
Index futures	-	-	5	96	-	-	-	-
Currency futures	-	-	5	82	-	-	-	-
Foreign currency contracts	-	1,288	-	-	-	-	5	434
<b>Total financial assets at fair value through profit or loss</b>	<b>114,709</b>	<b>48,089</b>	<b>35,660</b>	<b>54,133</b>	<b>110,576</b>	<b>82,549</b>	<b>46,972</b>	<b>21,961</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Index futures	-	-	26	137	-	-	-	-
Currency futures	-	-	28	238	-	-	-	-
Index options	-	-	-	-	1,350	220	-	-
Foreign currency contracts	2,180	-	-	-	-	-	-	-
<b>Total financial liabilities at fair value through profit or loss</b>	<b>2,180</b>	<b>-</b>	<b>54</b>	<b>375</b>	<b>1,350</b>	<b>220</b>	<b>-</b>	<b>-</b>

Japan ETF	
30 June 2021 \$'000	30 June 2020 \$'000
71,422	30,154
-	1,072
<b>71,422</b>	<b>31,226</b>

**Financial assets at fair value through profit or loss**  
Listed securities  
Foreign currency contracts  
**Total financial assets at fair value through profit or loss**

**Financial liabilities at fair value through profit or loss**  
Foreign currency contracts  
**Total financial liabilities at fair value through profit or loss**

**6 Other receivables**

	Global Agriculture Companies ETF		Global Banks ETF		Global Energy Companies ETF		Global Gold Miners ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Applications receivable	-	-	-	-	-	-	-	1,322
Dividends/Distributions receivable	97	62	118	58	1,007	591	47	17
GST receivable	6	3	12	9	52	22	11	3
<b>Total other receivables</b>	<b>103</b>	<b>65</b>	<b>130</b>	<b>67</b>	<b>1,059</b>	<b>613</b>	<b>58</b>	<b>1,342</b>

	Global Healthcare ETF		Managed Risk Global Share Fund		S&P 500 Yield Maximiser Fund		Europe ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Applications receivable	-	1,294	-	-	-	-	-	-
Dividends/Distributions receivable	214	129	69	151	4	5	59	33
GST receivable	17	7	6	9	22	18	7	4
Other receivables	-	-	1	-	3	-	-	-
<b>Total other receivables</b>	<b>231</b>	<b>1,430</b>	<b>76</b>	<b>160</b>	<b>29</b>	<b>23</b>	<b>66</b>	<b>37</b>

Japan ETF	
30 June 2021	30 June 2020
\$'000	\$'000
Dividends/Distributions receivable	51
GST receivable	5
<b>Total other receivables</b>	<b>56</b>

**7 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities**

	Global Agriculture Companies ETF		Global Banks ETF		Global Energy Companies ETF		Global Gold Miners ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>								
Profit/(loss)	7,732	(2,455)	13,758	(7,909)	86,091	(17,717)	(8,888)	6,970
Proceeds from sale of financial instruments at fair value through profit or loss	13,162	6,925	15,473	33,214	160,605	37,334	26,647	5,452
Payments for the purchase of financial investments at fair value through profit or loss	(36,520)	(5,894)	(57,264)	(16,269)	(238,035)	(225,872)	(76,581)	(15,726)
Net (gains)/losses on financial instruments at fair value through profit or loss	(7,329)	2,727	(12,643)	8,873	(76,581)	21,329	9,632	(6,911)
Net change in dividends/distributions receivable	(35)	(22)	(60)	73	(416)	(521)	(30)	(11)
Net change in receivables and other assets	(3)	(1)	(3)	-	(30)	(25)	(8)	(2)
Net foreign exchange (gains)/losses	13	16	(5)	(26)	32	161	(25)	15
Net change in payables and other liabilities	13	1	28	(14)	72	86	23	9
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(22,967)</b>	<b>1,297</b>	<b>(40,716)</b>	<b>17,942</b>	<b>(68,262)</b>	<b>(185,225)</b>	<b>(49,230)</b>	<b>(10,204)</b>

	Global Healthcare ETF		Managed Risk Global Share Fund		S&P 500 Yield Maximiser Fund		Europe ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>								
Profit/(loss)	15,131	3,658	8,080	816	20,781	(6,421)	9,567	(727)
Proceeds from sale of financial instruments at fair value through profit or loss	23,742	13,128	37,587	16,148	1,624	10,111	10,882	50,161
Payments for the purchase of financial investments at fair value through profit or loss	(75,408)	(25,902)	(12,043)	(10,395)	(8,247)	(10,581)	(23,765)	(40,769)
Net (gains)/losses on financial instruments at fair value through profit or loss	(13,955)	(3,224)	(8,252)	(6)	(20,391)	7,269	(9,108)	962
Net change in dividends/distributions receivable	(85)	(15)	82	163	1	-	(26)	(13)
Net change in receivables and other assets	(10)	(30)	2	-	(7)	-	(3)	(24)
Net foreign exchange (gains)/losses	5	34	620	92	86	140	127	7
Net change in payables and other liabilities	31	11	(11)	3	19	3	10	14
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(50,549)</b>	<b>(12,340)</b>	<b>26,065</b>	<b>6,821</b>	<b>(6,134)</b>	<b>521</b>	<b>(12,316)</b>	<b>9,611</b>

**7 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities (continued)**

	Japan ETF	
	30 June 2021	30 June 2020
	\$'000	\$'000
<b>Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>		
Profit/(loss)	14,303	605
Proceeds from sale of financial instruments at fair value through profit or loss	14,493	62,285
Payments for the purchase of financial investments at fair value through profit or loss	(39,811)	(54,397)
Net (gains)/losses on financial instruments at fair value through profit or loss	(13,906)	(1)
Net change in dividends/distributions receivable	(34)	(51)
Net change in receivables and other assets	(5)	(4)
Net foreign exchange (gains)/losses	97	(117)
Net change in payables and other liabilities	17	13
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(24,846)</b>	<b>8,333</b>

**8 Financial risk management**

The Funds are exchange traded managed funds that primarily invest in a portfolio of securities listed on the global financial markets as well as derivative instruments and cash and cash equivalents.

The Funds' activities expose them to a variety of financial risks which may include: market risk (including price risk, foreign exchange risk and interest rate risk), counterparty/credit risk and liquidity risk. The Funds use different methods to measure different types of risk to which they are exposed. Methods include sensitivity analysis in the case of price risk.

The Funds' overall risk management programs focus on ensuring compliance with the Funds' Product Disclosure Statements (PDSs) and seek to maximise the returns derived for the level of risk to which the Funds are exposed. Financial risk management is carried out by an investment manager under policies approved by the Board of Directors of the Responsible Entity (the Board).

The Board of Directors of the Responsible Entity has overall responsibility for the establishment and oversight of the Funds' risk management framework. The Funds' overall risk management programs focus on ensuring compliance with the Funds' PDSs and investment guidelines.

Compliance with the Funds' PDSs, Constitutions and investment guidelines are reported to the Board on a regular basis.



## 8 Financial risk management (continued)

### (a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity market prices will affect the Funds' income or the carrying value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Included in the following analysis are tables that summarise the sensitivity of the operating profit and net assets attributable to unitholders to changes in market prices (e.g. equity prices, foreign exchange rates and interest rates). The analysis is based on reasonably possible movements in the specified risk variable with other variables held constant. Actual movements in the risk variables in any period may be greater or less than indicated. The market price risk information is intended to be a relative estimate of risk rather than a precise and accurate number. It represents a hypothetical outcome and is not intended to be predictive. The analysis is based on historical data and cannot take account of the fact that future market price movements (e.g. in times on market stress) may bear no relation to historical patterns.

#### (i) Price risk

The Funds are exposed to equity securities and derivatives price risk. This arises from investments held by the Funds for which prices in the future are uncertain. Equity securities and derivatives are classified on the statements of financial position as at fair value through profit or loss. All securities investments present a risk of loss of capital.

The Funds' overall market positions are reported to the Board on a regular basis.

#### Sensitivity analysis

A 10% movement at the report date of the market prices attributable to financial assets or financial liabilities by the relevant Funds would have the following impact on the Funds' profit/(loss) and net assets attributable to unitholders. The calculations include the impact of any derivatives that may be held by a Fund. It is assumed that the relevant change occurs at the balance date.

	Global Agriculture Companies ETF		Global Banks ETF		Global Energy Companies ETF		Global Gold Miners ETF	
	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000
+10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	4,825	1,616	8,299	2,653	35,540	19,104	6,642	2,633
-10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	(4,825)	(1,616)	(8,299)	(2,653)	(35,540)	(19,104)	(6,642)	(2,633)

## 8 Financial risk management (continued)

### (a) Market risk (continued)

#### (i) Price risk (continued)

##### Sensitivity analysis (continued)

	Global Healthcare ETF		Managed Risk Global Share Fund		S&P 500 Yield Maximiser Fund		Europe ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
+10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	11,471	4,680	3,262	3,294	1,289	5,404	4,697	2,196
-10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	(11,471)	(4,680)	(3,262)	(3,294)	(9,585)	(7,881)	(4,697)	(2,196)

+10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders

-10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders

#### Japan ETF

	30 June 2021	30 June 2020
	\$'000	\$'000
+10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	7,142	3,123
-10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	(7,142)	(3,123)

+10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders

-10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders

#### (ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is not considered to be significant to the Funds other than their cash holdings.

The Funds are exposed to interest rate risk on their cash holdings. Interest income from cash holdings is earned at variable interest rates. Investments in cash holdings are at call.

#### (iii) Foreign exchange risk

The Funds may hold both monetary and non-monetary assets denominated in currencies other than the Australian dollar. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk not foreign exchange risk. Foreign exchange risk arises as the value of monetary assets denominated in other currencies fluctuates due to changes in exchange rates. The risk is measured using sensitivity analysis.

## 8 Financial risk management (continued)

### (a) Market risk (continued)

#### (iii) Foreign exchange risk (continued)

The tables below summarise the Funds' assets and liabilities, monetary and non-monetary, that are denominated in a currency other than the Australian dollar (calculated after the affect of associated foreign currency derivatives). The disclosures below represent the significant currency exposures of Funds at each respective reporting date.

		Global Agriculture Companies ETF			Global Banks ETF			Global Energy Companies ETF		
30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	
Currency	\$'000	Currency	\$'000	Currency	\$'000	Currency	\$'000	Currency	\$'000	
JPY	(1,326)	KRW	213	USD	(1,832)	USD	(1,063)	USD	(4,266)	
GBP	995	MYR	550	CAD	674	MYR	83	BRL	3,457	
NOK	(440)	HKD	145	EUR	(560)	NOK	137	CAD	3,179	
USD	682	EUR	126	HKD	(207)	ZAR	83	EUR	2,663	
BRL	(361)	NOK	(343)	GBP	(345)	GBP	(123)	NOK	933	
Others	(759)	Others	246	Others	(70)	Others	189	Others	96	
	(1,209)		937		(2,340)		(694)		18,039	
<b>Net foreign currency exposure</b>									<b>6,062</b>	

		Global Gold Miners ETF			Global Healthcare ETF			Managed Risk Global Share Fund		
30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	
Currency	\$'000	Currency	\$'000	Currency	\$'000	Currency	\$'000	Currency	\$'000	
USD	(1,518)	USD	65	USD	2,272	USD	166	USD	58,412	
CAD	(1,270)	CAD	779	DKK	247	EUR	114	EUR	25	
HKD	(262)	HKD	60	HKD	153	KRW	113	JPY	(211)	
ZAR	(1,288)	ZAR	1,044	CHF	1,028	CHF	123	GBP	53	
GBP	(441)	GBP	57	GBP	302	GBP	(7)	Others	-	
Others	(8)	Others	137	Others	196	Others	70			
	(4,787)		2,142		4,198		579		36,416	
<b>Net foreign currency exposure</b>									<b>58,279</b>	

## 8 Financial risk management (continued)

### (a) Market risk (continued)

#### (iii) Foreign exchange risk (continued)

		S&P 500 Yield Maximiser Fund			Europe ETF			Japan ETF		
30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	
Currency	Currency	Currency	Currency	Currency	Currency	Currency	Currency	Currency	Currency	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
USD*	USD*	113,450	84,152	8	19	JPY**	1,102	JPY**	1,295	
				USD	EUR	USD		JPY**		
				EUR	SEK	EUR				
				SEK	HKD	SEK				
				HKD	GBP	CHF				
				GBP	Others	GBP				
				Others		Others				
<b>Net foreign currency exposure</b>		<b>113,450</b>	<b>84,152</b>	<b>612</b>	<b>1,290</b>	<b>1,102</b>	<b>1,102</b>	<b>1,102</b>	<b>1,295</b>	

#### Sensitivity analysis - Foreign exchange risk

The following tables summarise the sensitivities of the Funds' monetary assets and liabilities to foreign exchange risk.

		Global Agriculture Companies ETF		Global Banks ETF		Global Energy Companies ETF		Global Gold Miners ETF	
30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(17)	(9)	(32)	(11)	(155)	(100)	(27)	(120)		

Impact on profit/(loss) from operating activities and net assets attributable to unitholders

10% AUD appreciation against foreign currency (2020: 10%)

\* This Fund only has USD exposure.

\*\* This Fund only has JPY exposure.

**8 Financial risk management (continued)**

**(a) Market risk (continued)**

*(iii) Foreign exchange risk (continued)*

*Sensitivity analysis - Foreign exchange risk (continued)*

Impact on profit/(loss) from operating activities and net assets attributable to unitholders

10% AUD appreciation against foreign currency (2020: 10%)

	Global Healthcare ETF		Managed Risk Global Share Fund		S&P 500 Yield Maximiser Fund		Europe ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	(38)	(101)	(81)	(452)	(287)	(160)	(15)	(331)

Impact on profit/(loss) from operating activities and net assets attributable to unitholders

10% AUD appreciation against foreign currency (2020: 10%)

	Japan ETF	
	30 June 2021	30 June 2020
	\$'000	\$'000
	(19)	(31)

10% AUD depreciation against foreign currency would have an equal, but opposite effect to the amounts shown in the table above.

## 8 Financial risk management (continued)

### (b) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Funds.

The main concentration of credit risk to which the Funds are exposed arise from the Funds' investment in cash and cash equivalents, and investment in debt securities.

#### (i) Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents is considered low as the Funds only invest their assets into bank deposit accounts held with banks that are regulated in Australia by Australian Prudential Regulatory Authority as authorised deposit taking institutions, and all counterparties have a credit rating of at least A.

In accordance with the Funds' policy, the investment manager monitors the Funds' credit position on a regular basis.

#### (ii) Settlement of securities transactions

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered low, as delivery of securities sold is only made once the broker has received payment. Payment is made once purchase on the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

#### (iii) Other

The custody of the Funds' assets is mainly concentrated with one counterparty, namely RBC Investor Services Trust. RBC Investor Services Trust is a subsidiary of a company listed on a major securities exchange, and at 30 June 2021 had a credit rating of AA- by Standard & Poor's (S&P) (30 June 2020 AA-/A-1+ (Stable) by Standard & Poor's (S&P)). At 30 June 2021, substantially all cash and cash equivalents, balances due from brokers and investments are held in custody by RBC Investor Services Trust.

### (c) Liquidity risk

Liquidity risk is the risk that the Funds will encounter difficulty in meeting obligations associated with financial liabilities.

The Funds are exposed to daily cash redemptions of redeemable units. The Funds' investments in cash and cash equivalents are considered to be readily realisable and the Funds maintain adequate liquidity to pay withdrawals and distributions when required.

Certain Funds may invest in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, the Funds may not be able to quickly liquidate their investments in these instruments at an amount close to their fair value to meet their liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer or counterparty.

## 8 Financial risk management (continued)

### (c) Liquidity risk (continued)

The following tables analyse the Funds' non-derivative and derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows.

Global Agriculture Companies ETF										
Distributions payable Other payables Contractual cash flows (excluding net settled derivatives)  Foreign currency contracts Net settled derivatives	Less than 6 months		Greater than 6 months		On demand		Less than 6 months		Greater than 6 months	
	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2020	30 June 2020	30 June 2020	30 June 2020	30 June 2020	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
-	1,658	-	-	1,658	-	-	-	-	-	-
-	23	-	-	23	-	-	10	-	-	10
-	1,681	-	-	1,681	-	-	10	-	-	10
-	934	-	-	934	-	-	-	-	-	-
-	934	-	-	934	-	-	-	-	-	-

Global Banks ETF										
Distributions payable Other payables Contractual cash flows (excluding net settled derivatives)  Foreign currency contracts Net settled derivatives	Less than 6 months		Greater than 6 months		On demand		Less than 6 months		Greater than 6 months	
	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2020	30 June 2020	30 June 2020	30 June 2020	30 June 2020	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
-	2,251	-	-	2,251	-	-	-	-	-	-
-	42	-	-	42	-	-	14	-	-	14
-	2,293	-	-	2,293	-	-	14	-	-	14
-	1,460	-	-	1,460	-	-	-	-	-	-
-	1,460	-	-	1,460	-	-	-	-	-	-

8 Financial risk management (continued)

(c) Liquidity risk (continued)

	Global Energy Companies ETF						
	Less than 6 months		Greater than 6 months		On demand		Total
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2020
Distributions payable	-	10,120	-	-	10,120	-	3,401
Other payables	-	174	-	-	174	-	102
<b>Contractual cash flows (excluding net settled derivatives)</b>	-	10,294	-	-	10,294	-	3,503
Foreign currency contracts	-	5,552	-	-	5,552	-	-
<b>Net settled derivatives</b>	-	5,552	-	-	5,552	-	-

	Global Gold Miners ETF						
	Less than 6 months		Greater than 6 months		On demand		Total
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2020
Distributions payable	-	1,866	-	-	1,866	-	622
Due to brokers - payables for securities purchased	-	-	-	-	-	-	1,264
Other payables	-	36	-	-	36	-	13
<b>Contractual cash flows (excluding net settled derivatives)</b>	-	1,902	-	-	1,902	-	1,899
Foreign currency contracts	-	435	-	-	435	-	-
<b>Net settled derivatives</b>	-	435	-	-	435	-	-



8 Financial risk management (continued)

(c) Liquidity risk (continued)

Global Healthcare ETF												
On demand 30 June 2021 \$'000	Less than 6 months 30 June 2021 \$'000		Greater than 6 months 30 June 2021 \$'000		Total 30 June 2021 \$'000	On demand 30 June 2020 \$'000		Less than 6 months 30 June 2020 \$'000		Greater than 6 months 30 June 2020 \$'000		Total 30 June 2020 \$'000
	-	5,114	-	-	5,114	-	-	-	318	-	-	318
	-	-	-	-	-	-	-	-	1,175	-	-	1,175
	-	57	-	-	57	-	-	-	26	-	-	26
	-	5,171	-	-	5,171	-	-	-	1,519	-	-	1,519
	-	2,180	-	-	2,180	-	-	-	-	-	-	-
	-	2,180	-	-	2,180	-	-	-	-	-	-	-

Distributions payable

Due to brokers - payables for securities purchased

Other payables

Contractual cash flows (excluding net settled derivatives)

Foreign currency contracts

Net settled derivatives

Managed Risk Global Share Fund

On demand 30 June 2021 \$'000	Less than 6 months 30 June 2021 \$'000		Greater than 6 months 30 June 2021 \$'000		Total 30 June 2021 \$'000	On demand 30 June 2020 \$'000		Less than 6 months 30 June 2020 \$'000		Greater than 6 months 30 June 2020 \$'000		Total 30 June 2020 \$'000
	-	17	-	-	17	-	-	-	28	-	-	28
	-	17	-	-	17	-	-	-	28	-	-	28
	-	26	-	-	26	-	-	-	137	-	-	137
	-	28	-	-	28	-	-	-	238	-	-	238
	-	54	-	-	54	-	-	-	375	-	-	375

Other payables

Contractual cash flows (excluding net settled derivatives)

Index futures

Currency futures

Net settled derivatives

**8 Financial risk management (continued)**

(c) Liquidity risk (continued)

**S&P 500 Yield Maximiser Fund**

On demand 30 June 2021 \$'000	Less than 6 months 30 June 2021 \$'000		Greater than 6 months 30 June 2021 \$'000		Total 30 June 2021 \$'000	On demand 30 June 2020 \$'000		Less than 6 months 30 June 2020 \$'000		Greater than 6 months 30 June 2020 \$'000		Total 30 June 2020 \$'000
	2021	2021	2021	2021		2020	2020	2020	2020	2020	2020	
-	1,409	-	1,409	-	1,409	-	-	1,835	-	-	1,835	-
-	84	-	84	-	84	-	-	65	-	-	65	-
-	1,493	-	1,493	-	1,493	-	-	1,900	-	-	1,900	-
-	1,350	-	1,350	-	1,350	-	-	220	-	-	220	-
-	1,350	-	1,350	-	1,350	-	-	220	-	-	220	-

Distributions payable  
Other payables

**Contractual cash flows (excluding net settled derivatives)**

Index options

**Net settled derivatives**

**Europe ETF**

On demand 30 June 2021 \$'000	Less than 6 months 30 June 2021 \$'000		Greater than 6 months 30 June 2021 \$'000		Total 30 June 2021 \$'000	On demand 30 June 2020 \$'000		Less than 6 months 30 June 2020 \$'000		Greater than 6 months 30 June 2020 \$'000		Total 30 June 2020 \$'000
	2021	2021	2021	2021		2020	2020	2020	2020	2020	2020	
-	2,115	-	2,115	-	2,115	-	-	3,165	-	-	3,165	-
-	24	-	24	-	24	-	-	14	-	-	14	-
-	2,139	-	2,139	-	2,139	-	-	3,179	-	-	3,179	-

Distributions payable  
Other payables

**Contractual cash flows (excluding net settled derivatives)**

**Japan ETF**

On demand 30 June 2021 \$'000	Less than 6 months 30 June 2021 \$'000		Greater than 6 months 30 June 2021 \$'000		Total 30 June 2021 \$'000	On demand 30 June 2020 \$'000		Less than 6 months 30 June 2020 \$'000		Greater than 6 months 30 June 2020 \$'000		Total 30 June 2020 \$'000
	2021	2021	2021	2021		2020	2020	2020	2020	2020	2020	
-	3,843	-	3,843	-	3,843	-	-	-	-	-	-	-
-	34	-	34	-	34	-	-	17	-	-	17	-
-	3,877	-	3,877	-	3,877	-	-	17	-	-	17	-

Distributions payable  
Other payables

**Contractual cash flows (excluding net settled derivatives)**

Foreign currency contracts

**Net settled derivatives**

## 9 Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The gross and net positions of financial assets and liabilities that have been offset in the statements of financial position are disclosed in the first three columns of the tables below.

	Effects of offsetting on the statements of financial position			Related amounts not offset in the statements of financial position		
	Gross amounts of financial assets/(liabilities)	Gross amounts set off in the statements of financial position	Net amount of financial assets/(liabilities) presented in the statements of financial position	Financial instruments (including non-cash collateral)	Stock and cash collateral pledged	Net amounts
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Global Agriculture Companies ETF</b>						
<b>As at 30 June 2021</b>						
<b>Financial liabilities</b>						
Foreign currency contracts	13	(947)	(934)	-	-	(934)
<b>Total</b>	13	(947)	(934)	-	-	(934)
<b>As at 30 June 2020</b>						
<b>Financial assets</b>						
Foreign currency contracts	472	-	472	-	-	472
<b>Total</b>	472	-	472	-	-	472

9 Offsetting financial assets and financial liabilities (continued)

	Effects of offsetting on the statements of financial position		Related amounts not offset in the statements of financial position		Net amounts
	Gross amounts of financial assets/(liabilities)	Gross amounts set off in the statements of financial position	Net amount of financial assets/ (liabilities) presented in the statements of financial position	Financial instruments (including non-cash collateral)	
<b>Global Banks ETF</b>					
As at 30 June 2021		\$'000	\$'000	\$'000	\$'000
Financial liabilities					
Foreign currency contracts	11	(1,471)	(1,460)	-	(1,460)
Total	11	(1,471)	(1,460)	-	(1,460)
As at 30 June 2020					
Financial assets	606	(40)	566	-	566
Foreign currency contracts	606	(40)	566	-	566
Total	606	(40)	566	-	566

	Effects of offsetting on the statements of financial position		Related amounts not offset in the statements of financial position		Net amounts
	Gross amounts of financial assets/(liabilities)	Gross amounts set off in the statements of financial position	Net amount of financial assets/ (liabilities) presented in the statements of financial position	Financial instruments (including non-cash collateral)	
<b>Global Energy Companies ETF</b>					
As at 30 June 2021					
Financial liabilities					
Foreign currency contracts	47	(5,599)	(5,552)	-	(5,552)
Total	47	(5,599)	(5,552)	-	(5,552)
As at 30 June 2020					
Financial assets	4,774	(47)	4,727	-	4,727
Foreign currency contracts	4,774	(47)	4,727	-	4,727
Total	4,774	(47)	4,727	-	4,727

9 Offsetting financial assets and financial liabilities (continued)

	Effects of offsetting on the statements of financial position			Related amounts not offset in the statements of financial position		
	Gross amounts of financial assets/(liabilities)	Gross amounts set off in the statements of financial position	Net amount of financial assets/(liabilities) presented in the statements of financial position	Financial instruments (including non-cash collateral)	Stock and cash collateral pledged	Net amounts
<b>Global Gold Miners ETF</b>						
As at 30 June 2021		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial liabilities</b>						
Foreign currency contracts	54	(489)	(435)	-	-	(435)
<b>Total</b>	54	(489)	(435)	-	-	(435)
<b>As at 30 June 2020</b>						
Financial assets	597	(4)	593	-	-	593
Foreign currency contracts	597	(4)	593	-	-	593

	Effects of offsetting on the statements of financial position			Related amounts not offset in the statements of financial position		
	Gross amounts of financial assets/(liabilities)	Gross amounts set off in the statements of financial position	Net amount of financial assets/(liabilities) presented in the statements of financial position	Financial instruments (including non-cash collateral)	Stock and cash collateral pledged	Net amounts
<b>Global Healthcare ETF</b>						
As at 30 June 2021		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial liabilities</b>						
Foreign currency contracts	17	(2,197)	(2,180)	-	-	(2,180)
<b>Total</b>	17	(2,197)	(2,180)	-	-	(2,180)
<b>As at 30 June 2020</b>						
Financial assets	1,298	(10)	1,288	-	-	1,288
Foreign currency contracts	1,298	(10)	1,288	-	-	1,288

9 Offsetting financial assets and financial liabilities (continued)

	Effects of offsetting on the statements of financial position			Related amounts not offset in the statements of financial position		
	Gross amounts of financial assets/(liabilities)	Gross amounts set off in the statements of financial position	Net amount of financial assets/(liabilities) presented in the statements of financial position	Financial instruments (including non-cash collateral)	Stock and cash collateral pledged	Net amounts
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Managed Risk Global Share Fund</b>						
<b>As at 30 June 2021</b>						
Financial assets	10	-	10	(10)	-	-
Futures	10	-	10	(10)	-	-
<b>Total</b>						
Financial liabilities	(54)	-	(54)	10	-	(44)
Futures	(54)	-	(54)	10	-	(44)
<b>Total</b>						
<b>As at 30 June 2020</b>						
Financial assets	178	-	178	(178)	-	-
Futures	178	-	178	(178)	-	-
<b>Total</b>						
Financial liabilities	(375)	-	(375)	178	-	(197)
Futures	(375)	-	(375)	178	-	(197)
<b>Total</b>						

9 Offsetting financial assets and financial liabilities (continued)

	Effects of offsetting on the statements of financial position			Related amounts not offset in the statements of financial position		
	Gross amounts of financial assets/(liabilities)	Gross amounts set off in the statements of financial position	Net amount of financial assets/(liabilities) presented in the statements of financial position	Financial instruments (including non-cash collateral)	Stock and cash collateral pledged	Net amounts
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>S&amp;P 500 Yield Maximiser Fund</b>						
As at 30 June 2021						
Financial liabilities	(1,350)	-	(1,350)	-	1	(1,349)
Index options	(1,350)	-	(1,350)	-	1	(1,349)
<b>Total</b>						
As at 30 June 2020	(220)	-	(220)	-	1	(219)
Financial liabilities	(220)	-	(220)	-	1	(219)
Index options	(220)	-	(220)	-	1	(219)
<b>Total</b>						
<b>Europe ETF</b>						
As at 30 June 2021						
Financial assets	13	(8)	5	-	-	5
Foreign currency contracts	13	(8)	5	-	-	5
<b>Total</b>						
As at 30 June 2020	434	-	434	-	-	434
Financial assets	434	-	434	-	-	434
Foreign currency contracts	434	-	434	-	-	434
<b>Total</b>						

## 9 Offsetting financial assets and financial liabilities (continued)

	Effects of offsetting on the statements of financial position			Related amounts not offset in the statements of financial position		
	Gross amounts of financial assets/(liabilities)	Gross amounts set off in the statements of financial position	Net amount of financial assets/(liabilities) (including non-cash collateral) presented in the statements of financial position	Financial instruments (including non-cash collateral)	Stock and cash collateral pledged	Net amounts
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Japan ETF						
As at 30 June 2021						
<b>Financial liabilities</b>						
Foreign currency contracts	17	(1,090)	(1,073)	-	-	(1,073)
<b>Total</b>	17	(1,090)	(1,073)	-	-	(1,073)
As at 30 June 2020						
<b>Financial assets</b>						
Foreign currency contracts	1,072	-	1,072	-	-	1,072
<b>Total</b>	1,072	-	1,072	-	-	1,072

## 10 Fair value measurements

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

### Fair value estimation

The carrying amounts of the Funds' assets and liabilities at the end of each reporting period approximate their fair values.

Financial assets and liabilities at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments at fair value through profit or loss are measured at fair value with changes in their fair value recognised in statements of comprehensive income.



## 10 Fair value measurements (continued)

### Fair value estimation (continued)

(i) *Fair value in an active market (Level 1)*

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The Funds value their investments in accordance with the accounting policies set out in Note 2. For the majority of their investments, the Funds rely on information provided by independent pricing services for the valuation of their investments.

The quoted market price used for financial assets and liabilities is the last traded price. Where the last traded price does not fall within the bid-ask spread, an assessment is performed by the management to determine the appropriate valuation price to use that is most representative of fair value.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

(ii) *Fair value in an inactive or unquoted market (Level 2 and Level 3)*

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Funds for similar financial instruments.

Index futures, index options and foreign currency contracts are measured by the quoted market prices, or binding dealer price quotations on the exchange where they are listed or held.



**10 Fair value measurements (continued)**

**Fair value estimation (continued)**

(iii) *Recognised fair value measurements (continued)*

	Global Energy Companies ETF							
	Level 1 30 June 2021 \$'000	Level 2 30 June 2021 \$'000	Level 3 30 June 2021 \$'000	Total 30 June 2021 \$'000	Level 1 30 June 2020 \$'000	Level 2 30 June 2020 \$'000	Level 3 30 June 2020 \$'000	Total 30 June 2020 \$'000
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Listed securities	355,402	-	-	355,402	191,044	-	-	191,044
Foreign currency contracts	-	-	-	-	-	4,727	-	4,727
<b>Total</b>	<b>355,402</b>	<b>-</b>	<b>-</b>	<b>355,402</b>	<b>191,044</b>	<b>4,727</b>	<b>-</b>	<b>195,771</b>

**Financial liabilities**

Financial liabilities at fair value through profit or loss:

Foreign currency contracts

**Total**

-	5,552	-	-	5,552	-	-	-	-
-	5,552	-	-	5,552	-	-	-	-

**Global Gold Miners ETF**

	Global Gold Miners ETF							
	Level 1 30 June 2021 \$'000	Level 2 30 June 2021 \$'000	Level 3 30 June 2021 \$'000	Total 30 June 2021 \$'000	Level 1 30 June 2020 \$'000	Level 2 30 June 2020 \$'000	Level 3 30 June 2020 \$'000	Total 30 June 2020 \$'000
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Listed securities	66,423	-	-	66,423	26,333	-	-	26,333
Foreign currency contracts	-	-	-	-	-	593	-	593
<b>Total</b>	<b>66,423</b>	<b>-</b>	<b>-</b>	<b>66,423</b>	<b>26,333</b>	<b>593</b>	<b>-</b>	<b>26,926</b>

**Financial liabilities**

Financial liabilities at fair value through profit or loss:

Foreign currency contracts

**Total**

-	435	-	-	435	-	-	-	-
-	435	-	-	435	-	-	-	-



**10 Fair value measurements (continued)**

**Fair value estimation (continued)**

(iii) *Recognised fair value measurements (continued)*

S&P 500 Yield Maximiser Fund										
	Level 1		Level 2		Level 3		Total		Total	
	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2020	\$'000
Financial assets at fair value through profit or loss:										
Listed securities	110,576	-	-	-	-	-	110,576	82,549	-	-
<b>Total</b>	<b>110,576</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>110,576</b>	<b>82,549</b>	<b>-</b>	<b>82,549</b>

**Financial assets**

Financial assets at fair value through profit or loss:

Listed securities

**Total**

**Financial liabilities**

Financial liabilities at fair value through profit or loss:

Index options

**Total**

	1,350	-	-	-	-	-	1,350	220	-	-
<b>Total</b>	<b>1,350</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,350</b>	<b>220</b>	<b>-</b>	<b>220</b>

**Europe ETF**

	Level 1		Level 2		Level 3		Total		Total	
	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2020	\$'000
Financial assets at fair value through profit or loss:										
Listed securities	46,967	-	-	-	-	-	46,967	21,521	6	-
Foreign currency contracts	-	5	-	-	-	-	5	-	434	-
<b>Total</b>	<b>46,967</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,972</b>	<b>21,521</b>	<b>440</b>	<b>21,961</b>

**Financial assets**

Financial assets at fair value through profit or loss:

Listed securities

Foreign currency contracts

**Total**

## 10 Fair value measurements (continued)

### Fair value estimation (continued)

#### (iii) Recognised fair value measurements (continued)

	Japan ETF							
	Level 1 30 June 2021 \$'000	Level 2 30 June 2021 \$'000	Level 3 30 June 2021 \$'000	Total 30 June 2021 \$'000	Level 1 30 June 2020 \$'000	Level 2 30 June 2020 \$'000	Level 3 30 June 2020 \$'000	Total 30 June 2020 \$'000
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Listed securities	71,422	-	-	71,422	30,154	-	-	30,154
Foreign currency contracts	-	-	-	-	-	1,072	-	1,072
<b>Total</b>	<b>71,422</b>	<b>-</b>	<b>-</b>	<b>71,422</b>	<b>30,154</b>	<b>1,072</b>	<b>-</b>	<b>31,226</b>

### Financial liabilities

Financial liabilities at fair value through profit or loss:

Foreign currency contracts

**Total**

#### (iv) Transfers between levels

There were no transfers between levels during the year ended 30 June 2021 and 30 June 2020.

#### (v) Movement in level 3 instruments

There were no investments classified as Level 3 within the Fund as at 30 June 2021 and 30 June 2020.

#### (vi) Fair value of financial instruments not carried at fair value

The carrying values of financial instruments not carried at fair values are assumed to approximate their fair values.

## 11 Derivative financial instruments

In the normal course of business certain Funds may enter into transactions in various derivative financial instruments which have certain risks. A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

### 11 Derivative financial instruments (continued)

Derivative transactions include many different instruments such as forwards, futures and options. Derivatives are considered to be part of the investment process and the use of derivatives is an essential part of the Funds' portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of the Fund against a fluctuation in market values or to reduce volatility;
- a substitution for trading of physical securities; and
- adjusting asset exposures within the parameters set in the investment strategy, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

While derivatives are used for trading purposes, they are not used to gear (leverage) a portfolio. Gearing a portfolio would occur if the level of exposure to the markets exceeds the underlying value of the Funds.

The following Funds held derivative instruments:

	Global Agriculture Companies ETF						Global Banks ETF					
	Fair values			Fair values			Fair values			Fair values		
	Contract/ notional 30 June 2021 \$'000	Assets 30 June 2021 \$'000	Liabilities 30 June 2021 \$'000	Contract/ notional 30 June 2020 \$'000	Assets 30 June 2020 \$'000	Liabilities 30 June 2020 \$'000	Contract/ notional 30 June 2021 \$'000	Assets 30 June 2021 \$'000	Liabilities 30 June 2021 \$'000	Contract/ notional 30 June 2020 \$'000	Assets 30 June 2020 \$'000	Liabilities 30 June 2020 \$'000
Foreign currency contracts	48,693	-	934	15,791	472	-	84,189	-	1,460	27,899	566	-
	48,693	-	934	15,791	472	-	84,189	-	1,460	27,899	566	-

	Global Energy Companies ETF						Global Gold Miners ETF					
	Fair values			Fair values			Fair values			Fair values		
	Contract/ notional 30 June 2021 \$'000	Assets 30 June 2021 \$'000	Liabilities 30 June 2021 \$'000	Contract/ notional 30 June 2020 \$'000	Assets 30 June 2020 \$'000	Liabilities 30 June 2020 \$'000	Contract/ notional 30 June 2021 \$'000	Assets 30 June 2021 \$'000	Liabilities 30 June 2021 \$'000	Contract/ notional 30 June 2020 \$'000	Assets 30 June 2020 \$'000	Liabilities 30 June 2020 \$'000
Foreign currency contracts	333,338	-	5,552	80,166	4,727	-	71,047	-	435	26,081	593	-
	333,338	-	5,552	80,166	4,727	-	71,047	-	435	26,081	593	-

11 Derivative financial instruments (continued)

	Global Healthcare ETF Fair values				Managed Risk Global Share Fund Fair values							
	Contract/ notional 30 June 2021 \$'000	Assets 30 June 2021 \$'000	Liabilities 30 June 2021 \$'000	Contract/ notional 30 June 2020 \$'000	Assets 30 June 2020 \$'000	Liabilities 30 June 2020 \$'000	Contract/ notional 30 June 2021 \$'000	Assets 30 June 2021 \$'000	Liabilities 30 June 2021 \$'000	Contract/ notional 30 June 2020 \$'000	Assets 30 June 2020 \$'000	Liabilities 30 June 2020 \$'000
Index futures	-	-	-	-	-	-	(3,031)	5	26	(21,754)	96	137
Currency futures	-	-	-	-	-	-	2,386	5	28	15,601	82	238
Foreign currency contracts	109,618	-	2,180	47,758	1,288	-	-	-	-	-	-	-
	109,618	-	2,180	47,758	1,288	-	(645)	10	54	(6,153)	178	375

S&P 500 Yield Maximiser Fund

	S&P 500 Yield Maximiser Fund Fair values				Europe ETF Fair values							
	Contract/ notional 30 June 2021 \$'000	Assets 30 June 2021 \$'000	Liabilities 30 June 2021 \$'000	Contract/ notional 30 June 2020 \$'000	Assets 30 June 2020 \$'000	Liabilities 30 June 2020 \$'000	Contract/ notional 30 June 2021 \$'000	Assets 30 June 2021 \$'000	Liabilities 30 June 2021 \$'000	Contract/ notional 30 June 2020 \$'000	Assets 30 June 2020 \$'000	Liabilities 30 June 2020 \$'000
Index options	(67,066)	-	1,350	(10,188)	-	220	-	-	-	-	-	-
Foreign currency contracts	-	-	-	-	-	-	46,509	5	-	23,985	434	-
	(67,066)	-	1,350	(10,188)	-	220	46,509	5	-	23,985	434	-

Japan ETF

	Japan ETF Fair values			
	Contract/ notional 30 June 2021 \$'000	Assets 30 June 2021 \$'000	Liabilities 30 June 2021 \$'000	Contract/ notional 30 June 2020 \$'000
Foreign currency contracts	69,436	-	1,073	30,244
	69,436	-	1,073	30,244



## 12 Auditor's remuneration

During the year the following fees were paid or payable for services provided by the auditor of the Funds. Audit fees were borne by the Responsible Entity:

	Global Agriculture Companies ETF		Global Banks ETF		Global Energy Companies ETF		Global Gold Miners ETF		Global Healthcare ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
<b>KPMG</b>										
<i>Audit and other assurance service</i>										
Audit and review of financial reports	7,529	7,529	7,529	7,529	7,529	7,529	7,529	7,529	7,529	7,529
Audit of compliance plan	1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230
Total remuneration of audit and other assurance services	8,759	8,759	8,759	8,759	8,759	8,759	8,759	8,759	8,759	8,759

	Managed Risk Global Share Fund		S&P 500 Yield Maximiser Fund		Europe ETF		Japan ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
<b>KPMG</b>								
<i>Audit and other assurance service</i>								
Audit and review of financial reports	7,529	7,529	7,529	7,529	7,529	7,529	7,529	7,529
Audit of compliance plan	1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230
Total remuneration of audit and other assurance services	8,759	8,759	8,759	8,759	8,759	8,759	8,759	8,759

## 13 Related party transactions

### Responsible Entity

The Responsible Entity of the Funds is BetaShares Capital Ltd.

The Responsible Entity has appointed Horizons ETFs Management (Canada) Inc. to provide investment advisory services in connection with S&P 500 Yield Maximiser Fund. Horizons ETFs Management (Canada) Inc. had an ownership interest in the Responsible Entity's parent company up until 5 March 2021.

### 13 Related party transactions (continued)

#### Key management personnel

The Funds do not employ personnel in their own right. However, the Funds are required to have an incorporated Responsible Entity to manage the activities and this is considered to be key management personnel. The directors of the Responsible Entity, which are key management personnel of the Responsible Entity, during or since the end of the financial year are:

#### (a) Directors

##### Executive Directors:

Mr David Nathanson (appointed 21 September 2009, resigned 5 March 2021)  
Mr Alex Vynokur (appointed 21 September 2009)  
Mr Jason Gellert (appointed 5 March 2021)

##### Non-Executive Directors:

Mr Junggho Rhee (appointed 1 September 2018, resigned 5 March 2021)  
Mr Young Hwan Kim (appointed 7 February 2020, resigned 5 March 2021)  
Mr Edward Sippel (appointed 5 March 2021)

#### (b) Other key management personnel

There were no other persons with responsibility for planning, directing and controlling the activities of the Funds, directly or indirectly during the financial year.

#### Responsible Entity's management fees and other transactions

The Responsible Entity's fees are calculated in accordance with the Funds' Constitutions. The Responsible Entity's fees comprise a management fee and (if applicable) expense recoveries (after taking account of GST and reduced input tax credits), which are calculated as a percentage of the net asset value of the Funds and are disclosed in the statements of comprehensive income. The following table discloses the Responsible Entity's fees for 30 June 2021 and 30 June 2020:

Funds	Management Fee		Expense Recoveries	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	%	%	%	%
Global Agriculture Companies ETF	0.47	0.47	0.10	0.10
Global Banks ETF	0.47	0.47	0.10	0.10
Global Energy Companies ETF	0.47	0.47	0.10	0.10
Global Gold Miners ETF	0.47	0.47	0.10	0.10
Global Healthcare ETF	0.47	0.47	0.10	0.10
Managed Risk Global Share Fund	0.39	0.39	0.15	0.15
S&P 500 Yield Maximiser Fund	0.59	0.59	0.20	0.20
Europe ETF	0.51	0.51	0.05	0.05
Japan ETF	0.51	0.51	0.05	0.05



### 13 Related party transactions (continued)

#### Related party unitholdings

Parties related to the Funds (including BetaShares Capital Ltd and other schemes managed by BetaShares Capital Ltd) held no units in the Funds during the financial year.

### 14 Events occurring after the reporting period

Since balance date, there continues to be uncertainty and volatility in the market due to the ongoing COVID-19 global pandemic. Management are closely monitoring and consider that there has been no material change in the assets & liabilities presented.

Subsequent to the end of the financial period, Citigroup Pty Ltd ("Citi") has been appointed to replace RBC Investor Services Trust ("RBC") as Custodian and Fund Administrator for the Funds, following RBC's decision to end its involvement in the Australian asset servicing market. The transition from RBC to Citi is expected to occur in late September or early October 2021.

No other significant events have occurred since the end of the reporting year which would impact on the financial position of the Funds disclosed in the statements of financial position as at 30 June 2021 or on the results and cash flows of the Funds for the year ended on that date.

### 15 Contingent assets and liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2021 and 30 June 2020.

**Directors' declaration**

BetaShares Capital Ltd present the Directors' Declaration in respect of the following funds:

BetaShares Global Agriculture Companies ETF - Currency Hedged  
BetaShares Global Banks ETF - Currency Hedged  
BetaShares Global Energy Companies ETF - Currency Hedged  
BetaShares Global Gold Miners ETF - Currency Hedged  
BetaShares Global Healthcare ETF - Currency Hedged  
BetaShares Managed Risk Global Share Fund (managed fund)  
BetaShares S&P 500 Yield Maximiser Fund (managed fund)  
BetaShares Europe ETF - Currency Hedged  
BetaShares Japan ETF - Currency Hedged

In the opinion of the directors of BetaShares Capital Ltd, the Responsible Entity of the Funds:

- (a) the financial statements and notes set out on pages 7 to 58 are in accordance with the *Corporations Act 2001*, including:
- (i) complying with Australian Accounting Standards, and interpretations issued by the Australian Accounting Standards Board and the *Corporations Regulations 2001*; and
  - (ii) giving a true and fair view of the Funds' financial positions as at 30 June 2021 and of their performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable; and
- (c) note 2(a) confirms that the financial statements comply with International Financial Reporting Standards and Interpretations issued by the International Accounting Standards Board.

Signed in accordance with a resolution of the directors of BetaShares Capital Ltd.



Alex Vynokur  
Director

Sydney  
22 September 2021



## Independent Auditor's Report

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To the respective unitholders of the following Schemes:

BetaShares Global Agriculture Companies ETF – Currency Hedged  
BetaShares Global Banks ETF – Currency Hedged  
BetaShares Global Energy Companies ETF – Currency Hedged  
BetaShares Gold Miners ETF – Currency Hedged  
BetaShares Global Healthcare ETF – Currency Hedged  
BetaShares Managed Risk Global Share Fund (managed fund)  
BetaShares S&P 500 Yield Maximiser Fund (managed fund)  
BetaShares Europe ETF – Currency Hedged  
BetaShares Japan ETF – Currency Hedged

For the purpose of this report, the term Scheme and Schemes denote the individual and distinct entity for which the financial information is prepared and upon which our audit is performed. Each is to be read as a singular subject matter.

### Opinion

We have audited the **Financial Report** of the Schemes.

In our opinion, the accompanying **Financial Report** of the Schemes is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Schemes' financial position as at 30 June 2021, and of their financial performance and their cash flows for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** of the Schemes comprise:

- Statements of financial position as at 30 June 2021;
- Statements of comprehensive income for the year then ended;
- Statements of changes in equity, and Statements of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Directors' Declaration made by the Directors' of BetaShares Capital Limited (the Responsible Entity).

### Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Schemes and the Responsible Entity in accordance with the *Corporations Act 2001* and the relevant ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (including *Independence Standards*) (the Code). We have fulfilled our other ethical responsibilities in accordance with the Code.



**Key Audit Matters**

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the Schemes in the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The **Key Audit Matter** we identified for each of the Schemes is:

- Valuation and existence of financial instruments.

**Valuation and existence of financial instruments (BetaShares Global Agriculture Companies ETF – Currency Hedged \$48,252,000, BetaShares Global Banks ETF – Currency Hedged \$82,990,000, BetaShares Global Energy Companies ETF – Currency Hedged \$355,402,000, BetaShares Global Gold Miners ETF – Currency Hedged \$66,423,000, BetaShares Global Healthcare ETF – Currency Hedged \$114,709,000, BetaShares Managed Risk Global Share Fund (managed fund) \$35,660,000, BetaShares S&P 500 Yield Maximiser Fund (managed fund) \$110,576,000, BetaShares Europe ETF – Currency Hedged \$46,972,000, BetaShares Japan ETF – Currency Hedged \$71,422,000)**

Refer to Note 5 to the Financial Report

The key audit matter	How the matter was addressed in our audit
<p>Financial instruments at fair value through profit or loss comprise investments in listed securities and derivatives (“investments”).</p> <p>The Scheme outsources certain processes and controls relevant to:</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• We assessed the appropriateness of the accounting policies applied by the Scheme, including those relevant to the fair value of investments, against the requirements of the accounting standards.</li> </ul>

<ul style="list-style-type: none"> <li>• Executing transactions as instructed by the Responsible Entity and recording and valuing investments to the Scheme administrator; recording and valuing investments to the Scheme administrator;</li> <li>• Maintaining custody and underlying records of investments to the custodian;</li> </ul> <p>Valuation and existence of investments is a key audit matter due to the:</p> <ul style="list-style-type: none"> <li>• Size of the Scheme’s portfolio of investments. These investments represent a significant percentage of the Scheme’s total assets at year end; and</li> <li>• Importance of the performance of these investments in driving the Scheme’s investment income and capital performance, as reported in the Financial Report.</li> </ul> <p>As a result, this was the area with greatest effect on our overall audit strategy and allocation of resources in planning and performing our audit.</p>	<ul style="list-style-type: none"> <li>• We obtained and read the Scheme’s Service Provider’s ASAE 3402 Assurance Reports on Controls at a Service Organisation and GS007 (Guidance Statement of Service Organisations of the Use of Investment Management Services) assurance reports to understand the processes and assess the controls relevant to the:           <ul style="list-style-type: none"> <li>- Scheme administrator – to execute transactions, record and value the Scheme’s investments;</li> <li>- Custodian – to maintain custody and underlying records of the Scheme’s investments;</li> </ul> </li> <li>• We obtained and read the custodians bridging letter over the period not covered by the ASAE3402 and GS007 assurance reports. We have checked that there were no instances of non-compliance over controls in place at the service provider.</li> <li>• We assessed the reputation, professional competence and independence of the auditors of the ASAE 3402 and GS007 assurance reports.</li> <li>• We checked the existence of investments, being the ownership and quantity held, to external sources such as independent</li> </ul>



	<p>confirmations for derivative investments as at 30 June 2021.</p> <ul style="list-style-type: none"><li>• We checked the valuation of investments, as recorded in the general ledger, to independently sourced prices as at 30 June 2021.</li></ul> <p>We evaluated the Scheme's disclosures of investments, using our understanding obtained from our testing, against the requirements of the accounting standards</p>
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### Responsibilities of Directors for the Financial Report

The Directors of BetaShares Capital Limited (the Responsible Entity) are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*;
- implementing necessary internal controls to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- assessing the Scheme's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

### Other Information

Other Information is financial and non-financial information in the Schemes' annual reporting which is provided in addition to the Financial Report and the Auditor's Report. This includes the Director's Report. The Directors of BetaShares Capital Limited (the Responsible Entity) are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.





## Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.

A further description of our responsibilities for the Audit of the Financial Report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar2.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf).

This description forms part of our Auditor's Report.

KPMG

Nicholas Buchanan

Partner

Sydney

22 September 2021

Any BetaShares Fund that seeks to track the performance of a particular financial index is not sponsored, endorsed, issued, sold or promoted by the provider of the index. No index provider makes any representation regarding the advisability of buying, selling or holding units in the BetaShares Funds or investing in securities generally. No index provider is involved in the operation or distribution of the BetaShares Funds and no index provider shall have any liability for the operation or distribution of these Funds or their failure to achieve their investment objectives. An index provider has no obligation to take the needs of the BetaShares Fund or the unitholders of the Fund into consideration in determining, composing or calculating the relevant index. Any intellectual property rights in the index name and associated trademarks, index methodology, index values and constituent lists vest in the relevant index provider and/or its affiliates. BetaShares has obtained a licence from the relevant index provider to use such intellectual property rights in the creation and operation of the BetaShares Funds.