



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
USD	BetaShares U.S. Dollar ETF
POU	BetaShares British Pound ETF
EEU	BetaShares Euro ETF
AAA	BetaShares Australian High Interest Cash ETF
QPON	BetaShares Australian Bank Senior Floating Rate Bond ETF
CRED	BetaShares Australian Investment Grade Corporate Bond ETF
AGVT	BetaShares Australian Government Bond ETF
GGOV	BetaShares Global Government Bond 20+ Year ETF – Currency Hedged
GBND	BetaShares Sustainability Leaders Diversified Bond ETF – Currency Hedged
BHYB	BetaShares Australian Major Bank Hybrids Index ETF

Further information about the Funds can be obtained at 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 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.

Booklet 1

BetaShares Australian Bank Senior Floating Rate Bond ETF - ASX Code: QPON (ARSN 613 694 385)

BetaShares Australian Government Bond ETF - ASX Code: AGVT (ARSN 631 805 153)

BetaShares Australian High Interest Cash ETF - ASX Code: AAA (ARSN 143 219 961)

BetaShares Australian Investment Grade Corporate Bond ETF - ASX Code: CRED (ARSN 623 815 752)

BetaShares Australian Major Bank Hybrids Index ETF - ASX Code: BHYB (ARSN 643 693 403)

BetaShares British Pound ETF - ASX Code: POU (ARSN 151 133 514)

BetaShares Euro ETF - ASX Code: EEU (ARSN 151 131 967)

BetaShares Global Government Bond 20+ Year ETF - Currency Hedged - ASX Code: GGOV (ARSN 636 987 730)

BetaShares Sustainability Leaders Diversified Bond ETF - ASX Code: GBND (ARSN 631 805 484)

BetaShares U.S. Dollar ETF - ASX Code: USD (ARSN 147 517 280)

Annual Financial Report

30 June 2021

**Booklet 1
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 period ended 30 June 2021 and the auditor's report thereon.

Fund name	Referred to in this document as	Financial reporting period	ARSN
BetaShares Australian Bank Senior Floating Rate Bond ETF	Australian Bank Senior Floating Rate Bond ETF	1 July 2020 to 30 June 2021	613 694 385
BetaShares Australian Government Bond ETF	Australian Government Bond ETF	1 July 2020 to 30 June 2021	631 805 153
BetaShares Australian High Interest Cash ETF	Australian High Interest Cash ETF	1 July 2020 to 30 June 2021	143 219 961
BetaShares Australian Investment Grade Corporate Bond ETF	Australian Investment Grade Corporate Bond ETF	1 July 2020 to 30 June 2021	623 815 752
BetaShares Australian Major Bank Hybrids Index ETF	Australian Major Bank Hybrids Index ETF	1 September 2020 to 30 June 2021	643 693 403
BetaShares British Pound ETF	British Pound ETF	1 July 2020 to 30 June 2021	151 133 514
BetaShares Euro ETF	Euro ETF	1 July 2020 to 30 June 2021	151 131 967
BetaShares Global Government Bond 20+ Year ETF	Global Government Bond 20+ Year ETF	1 July 2020 to 30 June 2021	636 987 730
- Currency Hedged			
BetaShares Sustainability Leaders Diversified Bond ETF	Sustainability Leaders Diversified Bond ETF	(comparatives: 1 November 2019 to 30 June 2020)	631 805 484
BetaShares U.S. Dollar ETF	U.S. Dollar ETF	1 July 2020 to 30 June 2021	147 517 280

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

Australian Major Bank Hybrids Index ETF commenced operations on 21 April 2021.

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 period.

There were no significant changes in the nature of the Fund's activities during the period.

Directors' report (continued)

Directors

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

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)

Review and results of operations

During the period, 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 period.

Matters subsequent to the end of the financial period

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 ("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.

Directors' report (continued)

Matters subsequent to the end of the financial period (continued)

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect:

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

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.

Indemnification and insurance of officers and auditors

No insurance premiums are paid 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 period 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 period.

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

Interests in the Funds

The movement in units on issue in the Funds during the period 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.

Directors' report (continued)

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.

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 Australian Bank Senior Floating Rate Bond ETF	BetaShares British Pound ETF
BetaShares Australian Government Bond ETF	BetaShares Euro ETF
BetaShares Australian High Interest Cash ETF	BetaShares Global Government Bond 20+ Year ETF - Currency Hedged
BetaShares Australian Investment Grade Corporate Bond ETF	BetaShares Sustainability Leaders Diversified Bond ETF
BetaShares Australian Major Bank Hybrids Index ETF	BetaShares U.S. Dollar ETF

I declare that, to the best of my knowledge and belief, in relation to the audit of the Schemes for the financial period 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

	Australian Bank Senior Floating Rate Bond ETF		Australian Government Bond ETF		Australian High Interest Cash ETF	
	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
Investment income						
Interest income	6,513	12,423	2,224	359	14,573	23,414
Dividend/distribution income	32	99	-	-	-	-
Net gains/(losses) on financial instruments at fair value through profit or loss	5,238	1,654	(3,468)	367	-	-
Net foreign exchange gains/(losses)	-	-	-	-	-	-
Other operating income	112	597	145	33	-	-
Total net investment income/(loss)	11,895	14,773	(1,099)	759	14,573	23,414
Expenses						
Management fees	1,343	1,327	190	27	3,935	3,199
Expense recoveries	214	212	30	4	-	-
Transaction costs	1	-	-	-	-	-
Other operating expenses	1	1	2	1	-	-
Total operating expenses	1,559	1,540	222	32	3,935	3,199
Profit/(loss) for the period	10,336	13,233	(1,321)	727	10,638	20,215
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	10,336	13,233	(1,321)	727	10,638	20,215

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

	Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF ¹		British Pound 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
Statements of comprehensive income						
Investment income						
Interest income	13,910	12,059	-	-	-	90
Dividend/distribution income	16	109	56	-	-	-
Net gains/(losses) on financial instruments at fair value through profit or loss	4,420	(3,517)	59	-	-	-
Net foreign exchange gains/(losses)	-	-	-	-	361	(235)
Other operating income	318	1,619	7	-	-	-
Total net investment income/(loss)	18,664	10,270	122	-	361	(145)
Expenses						
Management fees	972	754	5	-	65	94
Expense recoveries	134	105	-	-	-	-
Transaction costs	1	-	2	-	-	-
Interest expenses	-	-	-	-	-	-
Other operating expenses	3	1	-	-	-	-
Total operating expenses	1,110	860	7	-	65	94
Profit/(loss) for the period	17,554	9,410	115	-	296	(239)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	17,554	9,410	115	-	296	(239)

Notes

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

¹ There was no comparative for BetaShares Australian Major Bank Hybrids Index ETF. The Fund commenced trading on 21 April 2021.

Booklet 1
Statements of comprehensive income
For the period ended 30 June 2021
(continued)

	Euro ETF*		Global Government Bond 20+ Year ETF ³		Sustainability Leaders Diversified Bond ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$ ²	\$ ²	\$ ²	\$ ²	\$'000	\$'000
Statements of comprehensive income						
Investment income						
Interest income	-	-	47,709	4,067	2,113	656
Dividend/distribution income	-	-	-	-	-	-
Net gains/(losses) on financial instruments at fair value through profit or loss	-	-	(251,835)	(12,567)	(2,488)	553
Net foreign exchange gains/(losses)	(134,138)	(311,476)	(26,989)	(382)	(426)	(109)
Other operating income	275	-	3,071	3,406	145	146
Total net investment income/(loss)	(133,863)	(311,476)	(228,044)	(5,476)	(656)	1,246
Expenses						
Management fees	35,489	32,179	5,170	556	407	108
Expense recoveries	-	-	816	88	104	28
Transaction costs	-	-	-	-	-	-
Interest expenses	44,878	29,911	-	-	-	-
Other operating expenses	-	-	567	-	4	1
Total operating expenses	80,367	62,090	6,553	644	515	137
Operating profit/(loss)	(214,230)	(373,566)	(234,597)	(6,120)	(1,171)	1,109
Finance costs attributable to unitholders						
Distributions to unitholders*	-	-	-	-	-	-
(Increase)/decrease in net assets attributable to unitholders - liability*	214,230	-	-	-	-	-
Profit/(loss) for the period	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	(373,566)	(234,597)	(6,120)	(1,171)	1,109

Notes

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*Net assets attributable to unit holders are reclassified from equity to liability from 19 February 2021 for Euro ETF. Refer to note 3 for further detail.

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

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

³ The comparison period for the Global Government Bond 20+ Year ETF was 1 November 2019 to 30 June 2020.

Statements of comprehensive income

	U.S. Dollar ETF	
	30 June 2021 \$'000	30 June 2020 \$'000
Notes		
Investment income		
Interest income	384	4,005
Dividend/distribution income	-	-
Net gains/(losses) on financial instruments at fair value through profit or loss	-	-
Net foreign exchange gains/(losses)	(20,895)	(584)
Other operating income	3	-
Total net investment income/(loss)	(20,508)	3,421
Expenses		
Management fees	801	1,309
Expense recoveries	-	-
Transaction costs	-	-
Interest expenses	-	-
Other operating expenses	-	-
Total operating expenses	801	1,309
Profit/(loss) for the period	(21,309)	2,112
Other comprehensive income	-	-
Total comprehensive income/(loss) for the period	(21,309)	2,112

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

Statements of financial position

	Notes	Australian Bank Senior Floating Rate Bond ETF		Australian Government Bond ETF		Australian High Interest Cash ETF	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets							
Cash and cash equivalents		1,009	913	476	28	2,088,165	1,967,987
Financial assets at fair value through profit or loss	5	671,863	708,560	179,422	18,661	-	-
Other receivables	6	859	1,054	819	97	31,085	1,323
Total assets		673,731	710,527	180,717	18,786	2,119,250	1,969,310
Liabilities							
Financial liabilities at fair value through profit and loss	5	-	-	-	-	-	-
Distributions payable	4	1,137	340	140	30	616	1,157
Other payables		136	149	37	4	353	314
Total liabilities (excluding net assets attributable to unitholders)		1,273	489	177	34	969	1,471
Net assets attributable to unitholders - equity	3	672,458	710,038	180,540	18,752	2,118,281	1,967,839

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

	Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF ¹		British Pound 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
Statements of financial position						
Assets						
Cash and cash equivalents	593	2,824	50	16,186	13,321	16,186
Financial assets at fair value through profit or loss	487,364	343,419	13,043	-	-	-
Other receivables	3,324	2,849	7	1	1	2
Total assets	491,281	349,092	13,100	16,188	13,322	16,188
Liabilities						
Financial liabilities at fair value through profit and loss	-	-	-	-	-	-
Distributions payable	5,447	3,303	26	84	-	84
Other payables	164	98	4	8	6	8
Total liabilities (excluding net assets attributable to unitholders)	5,611	3,401	30	92	6	92
Net assets attributable to unitholders - equity	485,670	345,691	13,070	16,096	13,316	16,096

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

¹ There was no comparative for BetaShares Australian Major Bank Hybrids Index ETF. The Fund commenced trading on 21 April 2021.

Booklet 1
Statements of financial position
As at 30 June 2021
(continued)

	Euro ETF*		Global Government Bond 20+ Year ETF ³		Sustainability Leaders Diversified Bond ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$ ²	\$ ²	\$ ²	\$ ²	\$'000	\$'000
Assets						
Cash and cash equivalents	8,822,146	11,553,376	16,211	26,143	6,019	3,658
Financial assets at fair value through profit or loss	-	-	3,638,361	1,957,745	141,381	59,234
Other receivables	920	1,151	19,401	10,404	799	392
Total assets	8,823,066	11,554,527	3,673,973	1,994,292	148,199	63,284
Liabilities						
Financial liabilities at fair value through profit and loss	-	-	46,145	-	358	-
Distributions payable	-	-	72,695	42,302	2,855	88
Other payables	8,991	9,684	995	412	60	27
Total liabilities (excluding net assets attributable to unitholders)	8,991	9,684	119,835	42,714	3,273	115
Net assets attributable to unitholders - liability*	8,814,075	-	-	-	-	-
Net assets attributable to unitholders - equity*	-	11,544,843	3,554,138	1,951,578	144,926	63,169

*Net assets attributable to unit holders are reclassified from equity to liability from 19 February 2021 for Euro ETF. Refer to note 3 for further detail.

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

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

³ The comparison period for the Global Government Bond 20+ Year ETF was 1 November 2019 to 30 June 2020.

Statements of financial position

	U.S. Dollar ETF	
	30 June 2021 \$'000	30 June 2020 \$'000
Assets		
Cash and cash equivalents	139,949	295,725
Financial assets at fair value through profit or loss	-	-
Other receivables	27	90
Total assets	139,976	295,815
Liabilities		
Financial liabilities at fair value through profit and loss	-	-
Distributions payable	-	3,104
Other payables	56	127
Total liabilities (excluding net assets attributable to unitholders)	56	3,231
Net assets attributable to unitholders - equity	139,920	292,584

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

Booklet 1
Statements of changes in equity
For the period ended 30 June 2021

	Australian Bank Senior Floating Rate Bond ETF		Australian Government Bond ETF		Australian High Interest Cash 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
Notes						
Total equity at the beginning of the period	710,038	497,169	18,752	-	1,967,839	1,506,860
Comprehensive income for the period						
Profit/(loss) for the period	10,336	13,233	(1,321)	727	10,638	20,215
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	10,336	13,233	(1,321)	727	10,638	20,215
Transactions with unitholders						
Applications	45,995	356,826	168,046	28,506	1,504,916	1,329,543
Redemptions	(87,610)	(146,578)	(3,962)	(10,306)	(1,356,101)	(869,635)
Units issued upon reinvestment of distributions	88	176	14	2	1,741	1,335
Distributions to unitholders	(6,389)	(10,788)	(989)	(177)	(10,752)	(20,479)
Total transactions with unitholders	(47,916)	199,636	163,109	18,025	139,804	440,764
Total equity at the end of the period	672,458	710,038	180,540	18,752	2,118,281	1,967,839

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

Booklet 1
Statements of changes in equity
For the period ended 30 June 2021
(continued)

	Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF ¹		British Pound 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
Statements of changes in equity						
Total equity at the beginning of the period	3	242,765	-	-	16,096	17,680
Comprehensive income for the period						
Profit/(loss) for the period	17,554	9,410	115	-	296	(239)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	17,554	9,410	115	-	296	(239)
Transactions with unitholders						
Applications	147,751	209,198	13,002	-	869	19,227
Redemptions	(4,312)	(99,410)	-	-	(3,950)	(20,494)
Units issued upon reinvestment of distributions	624	338	-	-	5	6
Distributions to unitholders	(21,638)	(16,610)	(47)	-	-	(84)
Total transactions with unitholders	122,425	93,516	12,955	-	(3,076)	(1,345)
Total equity at the end of the period	3	345,691	13,070	13,070	13,316	16,096

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

¹ There was no comparative for BetaShares Australian Major Bank Hybrids Index ETF. The Fund commenced trading on 21 April 2021.

Booklet 1
Statements of changes in equity
For the period ended 30 June 2021
(continued)

	Notes	Euro ETF*		Global Government Bond 20+ Year ETF ³		Sustainability Leaders Diversified Bond ETF	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
		\$ ²	\$ ²	\$ ²	\$ ²	\$'000	\$'000
Statements of changes in equity							
Total equity at the beginning of the period	3	11,544,843	6,103,242	1,951,578	-	63,169	-
Reclassification due to AMIT tax regime non-eligibility requirements*		(11,544,843)	-	-	-	-	-
Comprehensive income for the period							
Profit/(loss) for the period		-	(373,566)	(234,597)	(6,120)	(1,171)	1,109
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income/(loss) for the period		-	(373,566)	(234,597)	(6,120)	(1,171)	1,109
Transactions with unitholders							
Operating profit/(loss) attributed to unitholders	3	-	7,006,129	1,923,835	2,000,000	85,808	72,287
Applications	3	-	(1,190,962)	-	-	-	(9,977)
Redemptions	3	-	-	2,462	-	265	-
Units issued upon reinvestment of distributions	3	-	-	(89,140)	(42,302)	(3,145)	(250)
Distributions to unitholders	3,4	-	-	-	-	-	-
Total transactions with unitholders		-	5,815,167	1,837,157	1,957,698	82,928	62,060
Total equity at the end of the period*	3	-	11,544,843	3,554,138	1,951,578	144,926	63,169
Total unitholder liability at the end of the period*		-	-	-	-	-	-

*Net assets attributable to unit holders are reclassified from equity to liability from 19 February 2021 for Euro ETF. Refer to note 3 for further detail.

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

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

³ The comparison period for the Global Government Bond 20+ Year ETF was 1 November 2019 to 30 June 2020.

Statements of changes in equity	U.S. Dollar ETF	
	30 June 2021 \$'000	30 June 2020 \$'000
Notes		
Total equity at the beginning of the period	292,584	304,419
Comprehensive income for the period		
Profit/(loss) for the period	(21,309)	2,112
Other comprehensive income	-	-
Total comprehensive income/(loss) for the period	(21,309)	2,112
Transactions with unitholders		
Applications	53,676	112,630
Redemptions	(185,168)	(123,882)
Units issued upon reinvestment of distributions	137	409
Distributions to unitholders	-	(3,104)
Total transactions with unitholders	(131,355)	(13,947)
Total equity at the end of the period	139,920	292,584

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

Statements of cash flows

	Australian Bank Senior Floating Rate Bond ETF		Australian Government Bond ETF		Australian High Interest Cash ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities						
Proceeds from sale of financial instruments at fair value through profit or loss	233,182	625,055	63,689	12,747	-	-
Payments for purchase of financial instruments at fair value through profit or loss	(191,247)	(836,697)	(227,918)	(31,041)	-	-
Dividends/distributions received	32	108	-	-	-	-
Interest income received	6,705	13,008	1,510	263	14,882	24,552
Other operating income received	112	597	145	34	-	-
Management fees paid	(1,351)	(1,295)	(169)	(25)	(3,917)	(3,128)
Interest expenses paid	(216)	(206)	(27)	(4)	-	-
Expense recoveries paid	(1)	-	-	-	-	-
Transaction costs paid	(1)	(1)	(1)	(1)	-	-
Other operating expenses paid	(1)	(1)	(1)	(1)	-	-
Net cash inflow/(outflow) from operating activities	47,215	(199,431)	(162,771)	(18,027)	10,965	21,424
	7					
Cash flows from financing activities						
Proceeds from applications by unitholders	45,995	356,826	168,046	28,506	1,474,866	1,343,581
Payments for redemptions by unitholders	(87,610)	(146,578)	(3,962)	(10,306)	(1,356,101)	(869,635)
Distributions paid	(5,504)	(11,054)	(865)	(145)	(9,552)	(20,232)
Net cash inflow/(outflow) from financing activities	(47,119)	199,194	163,219	18,055	109,213	453,714
Net increase/(decrease) in cash and cash equivalents	96	(237)	448	28	120,178	475,138
Cash and cash equivalents at the beginning of the financial period	913	1,150	28	-	1,967,987	1,492,849
Effects of foreign currency exchange rate changes on cash and cash equivalents	-	-	-	-	-	-
Cash and cash equivalents at the end of the financial period	1,009	913	476	28	2,088,165	1,967,987
Non-cash financing activities						
Units issued upon reinvestment of distributions	88	176	14	2	1,741	1,335

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

Statements of cash flows	Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF ¹		British Pound 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
	Notes					
Cash flows from operating activities						
Proceeds from sale of financial instruments at fair value through profit or loss		261,697	725	-	-	-
Payments for purchase of financial instruments at fair value through profit or loss		(539,154)	(13,709)	-	-	-
Dividends/distributions received	19	121	49	-	-	-
Interest income received	13,440	11,288	-	-	-	99
Other operating income received	357	1,630	7	-	-	-
Management fees paid	(955)	(733)	(1)	-	(66)	(94)
Interest expenses paid						
Expense recoveries paid	(132)	(102)	-	-	-	-
Transaction costs paid	(1)	-	(2)	-	-	-
Other operating expenses paid	(3)	(1)	-	-	-	-
Net cash inflow/(outflow) from operating activities	7	(125,800)	(98,175)	(12,931)	(66)	5
Cash flows from financing activities						
Proceeds from applications by unitholders	147,751	213,546	13,002	869	19,227	
Payments for redemptions by unitholders	(4,312)	(99,410)	-	(3,950)	(20,494)	
Distributions paid	(18,870)	(14,095)	(21)	(79)	(83)	
Net cash inflow/(outflow) from financing activities		124,569	12,981	(3,160)	(1,350)	
Net increase/(decrease) in cash and cash equivalents	(2,231)	1,866	50	(3,226)	(1,345)	
Cash and cash equivalents at the beginning of the financial period	2,824	958	-	16,186	17,766	
Effects of foreign currency exchange rate changes on cash and cash equivalents	-	-	-	361	(235)	
Cash and cash equivalents at the end of the financial period	593	2,824	50	13,321	16,186	
Non-cash financing activities	624	338	-	5	6	
Units issued upon reinvestment of distributions						

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

¹ There was no comparative for BetaShares Australian Major Bank Hybrids Index ETF. The Fund commenced trading on 21 April 2021.

Statements of cash flows	Euro ETF		Global Government Bond 20+ Year ETF ³		Sustainability Leaders Diversified Bond ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$	\$	\$	\$	\$'000	\$'000
Cash flows from operating activities						
Proceeds from sale of financial instruments at fair value through profit or loss	-	-	707,316	57,402	19,803	17,049
Payments for purchase of financial instruments at fair value through profit or loss	-	-	(2,621,272)	(2,027,660)	(104,529)	(75,831)
Dividends/distributions received	-	-	-	-	-	-
Interest income received	-	-	38,899	(6,283)	1,715	271
Other operating income received	275	-	3,071	3,406	145	146
Management fees paid	(36,649)	(30,100)	(5,063)	(247)	(387)	(93)
Interest expenses paid	(44,180)	(25,097)	-	-	-	-
Expense recoveries paid	-	-	(800)	(39)	(100)	(24)
Transaction costs paid	-	-	-	-	-	-
Other operating expenses paid	-	-	(294)	-	(4)	-
Net cash inflow/(outflow) from operating activities	(80,554)	(55,197)	(1,878,143)	(1,973,421)	(83,357)	(58,482)
	7					
Cash flows from financing activities						
Proceeds from applications by unitholders	11,364,028	7,006,129	1,923,835	2,000,000	85,808	72,287
Payments for redemptions by unitholders	(13,880,566)	(1,190,962)	-	-	-	(9,977)
Distributions paid	-	-	(56,285)	-	(113)	(162)
Net cash inflow/(outflow) from financing activities	(2,516,538)	5,815,167	1,867,550	2,000,000	85,695	62,148
Net increase/(decrease) in cash and cash equivalents	(2,597,092)	5,759,970	(10,593)	26,579	2,338	3,666
Cash and cash equivalents at the beginning of the financial period	11,553,376	6,104,882	26,143	-	3,658	-
Effects of foreign currency exchange rate changes on cash and cash equivalents	(134,138)	(311,476)	661	(436)	23	(8)
Cash and cash equivalents at the end of the financial period	8,822,146	11,553,376	16,211	26,143	6,019	3,658
Non-cash financing activities						
Units issued upon reinvestment of distributions	-	-	2,462	-	265	-

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

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

³ The comparison period for the Global Government Bond 20+ Year ETF was 1 November 2019 to 30 June 2020.

Booklet 1
Statements of cash flows
For the period ended 30 June 2021
(continued)

Statements of cash flows

	U.S. Dollar ETF	
	30 June 2021 \$'000	30 June 2020 \$'000
	Notes	
Cash flows from operating activities		
Proceeds from sale of financial instruments at fair value through profit or loss	-	-
Payments for purchase of financial instruments at fair value through profit or loss	-	-
Dividends/distributions received	430	4,409
Interest income received	3	-
Other operating income received	(855)	(1,301)
Management fees paid	-	-
Interest expenses paid	-	-
Expense recoveries paid	-	-
Transaction costs paid	-	-
Other operating expenses paid	-	-
Net cash inflow/(outflow) from operating activities	(422)	3,108
	7	
Cash flows from financing activities		
Proceeds from applications by unitholders	53,676	112,630
Payments for redemptions by unitholders	(185,168)	(123,882)
Distributions paid	(2,967)	(6,864)
Net cash inflow/(outflow) from financing activities	(134,459)	(18,116)
Net increase/(decrease) in cash and cash equivalents	(134,881)	(15,008)
Cash and cash equivalents at the beginning of the financial period	295,725	311,317
Effects of foreign currency exchange rate changes on cash and cash equivalents	(20,895)	(584)
Cash and cash equivalents at the end of the financial period	139,949	295,725
Non-cash financing activities		
Units issued upon reinvestment of distributions	137	409

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

Contents of the notes to the financial statements

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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 period
Australian Bank Senior Floating Rate Bond ETF	26 July 2016	1 June 2017	1 July 2020 to 30 June 2021
Australian Government Bond ETF	4 March 2019	9 July 2019	1 July 2020 to 30 June 2021
Australian High Interest Cash ETF	3 May 2010	6 March 2012	1 July 2020 to 30 June 2021
Australian Investment Grade Corporate Bond ETF	22 January 2018	31 May 2018	1 July 2020 to 30 June 2021
Australian Major Bank Hybrids Index ETF	1 September 2020	21 April 2021	1 September 2020 to 30 June 2021
British Pound ETF	9 June 2011	8 July 2011	1 July 2020 to 30 June 2021
Euro ETF	9 June 2011	8 July 2011	1 July 2020 to 30 June 2021
Global Government Bond 20+ Year ETF - Currency Hedged	1 November 2019	7 May 2020	1 July 2020 to 30 June 2021 (comparatives: 1 November 2019 to 30 June 2020)
Sustainability Leaders Diversified Bond ETF	4 March 2019	26 November 2019	1 July 2020 to 30 June 2021
U.S. Dollar ETF	3 December 2010	1 February 2011	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 is 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 periods 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.

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

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.

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 makes 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.

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

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.

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 recognise 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 or liability at its fair value. Transaction costs are expensed in the statements of comprehensive income as incurred.

Subsequent to initial recognition, all financial assets and 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 period.

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 make 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 period if unitholders exercised their right to redeem units in the Funds.

Net assets attributable to unitholders are reclassified from equity to liability from 19 February 2021 for Euro ETF. Refer to note 3 for further detail.

(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. Interest income earned from financial assets at amortised cost is recognised using the effective interest method and includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss is determined based on the contractual coupon interest rate and includes interest from debt securities. Other changes in fair value for such instruments are recorded in accordance with the accounting policies described in note 2(c).

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 period 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 within 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 stated.

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 period were as follows:

	Australian Bank Senior Floating Rate Bond ETF			Australian Government Bond ETF		
	30 June 2021 Units '000	30 June 2020 Units '000	30 June 2021 Units '000	30 June 2020 Units '000	30 June 2021 Units '000	30 June 2020 Units '000
Net assets attributable to unitholders						
Opening balance	27,467	19,370	710,038	497,169	360	18,752
Applications	1,760	13,840	45,995	356,826	3,285	168,046
Redemptions	(3,360)	(5,750)	(87,610)	(146,578)	(80)	(3,962)
Units issued upon reinvestment of distributions	3	7	88	176	-	14
Distributions to unitholders	-	-	(6,389)	(10,788)	-	(989)
Profit/(loss) for the period	-	-	10,336	13,233	-	(1,321)
Closing balance	25,870	27,467	672,458	710,038	3,565	180,540

	Australian High Interest Cash ETF			Australian Investment Grade Corporate Bond ETF		
	30 June 2021 Units '000	30 June 2020 Units '000	30 June 2021 Units '000	30 June 2020 Units '000	30 June 2021 Units '000	30 June 2020 Units '000
Net assets attributable to unitholders						
Opening balance	39,303	30,096	1,967,839	1,506,860	12,884	345,691
Applications	30,050	26,540	1,504,916	1,329,543	5,360	147,751
Redemptions	(27,080)	(17,360)	(1,356,101)	(869,635)	(160)	(4,312)
Units issued upon reinvestment of distributions	35	27	1,741	1,335	23	624
Distributions to unitholders	-	-	(10,752)	(20,479)	-	(21,638)
Profit/(loss) for the period	-	-	10,638	20,215	-	17,554
Closing balance	42,308	39,303	2,118,281	1,967,839	18,107	485,670

3 Net assets attributable to unitholders (continued)

	Australian Major Bank Hybrids Index ETF		British Pound ETF	
	30 June 2021 Units '000	30 June 2021 \$'000	30 June 2021 Units '000	30 June 2021 \$'000
Net assets attributable to unitholders				
Opening balance	-	-	921	16,096
Applications	1,300	13,002	50	869
Redemptions	-	-	(225)	(3,950)
Units issued upon reinvestment of distributions	-	-	-	5
Distributions to unitholders	-	(47)	-	(84)
Profit/(loss) for the period	-	115	-	(239)
Closing balance	1,300	13,070	746	13,316
			30 June 2020 Units '000	30 June 2020 \$'000
			996	17,680
			1,000	19,227
			(1,075)	(20,494)
			-	6
			-	(84)
			-	(239)
			921	16,096

	Euro ETF*		Global Government Bond 20+ Year ETF	
	30 June 2021 Units ²	30 June 2021 \$ ²	30 June 2021 Units ²	30 June 2021 \$ ²
Net assets attributable to unitholders				
Opening balance	740,000	11,544,843	80,000	1,951,578
Applications	750,000	11,364,028	80,000	1,923,835
Redemptions	(900,000)	(13,880,566)	-	-
Units issued upon reinvestment of distributions	-	-	104	2,462
Distributions to unitholders	-	-	-	(89,140)
Change in net assets attributable to unitholders*	-	(214,230)	-	-
Profit/(loss) for the period	-	-	-	(234,597)
Closing balance	590,000	8,814,075	160,104	3,554,138
			30 June 2020 Units ²	30 June 2020 \$ ²
			390,000	6,103,242
			425,000	7,006,129
			(75,000)	(1,190,962)
			-	-
			-	-
			-	(373,566)
			740,000	11,544,843
			80,000	1,951,578
			80,000	1,923,835
			-	-
			104	2,462
			-	(89,140)
			-	-
			-	(234,597)
			160,104	3,554,138
			80,000	1,951,578

*As at 30 June 2020, Euro ETF's net assets attributable to unitholders were classified as equity. During the year, Euro ETF did not meet the closely-held condition and as a result no longer satisfied the AMIT requirement. Consequently, the Euro ETF had an obligation to distribute when the fund earned taxable income and therefore no longer satisfied the criteria under AASB 132 Financial Instruments: Presentation that allowed it to classify net assets attributable to unitholders as equity. Effective from 19 February 2021, Euro ETF's units have been reclassified from equity to liability. The fair value of the units reclassified as financial liability approximates the carrying amount.

As a result of the reclassification of net assets attributable to unitholders from equity to financial liabilities, the Euro ETF's distributions are no longer classified as distributions paid in the statement of changes in equity, but rather as finance costs in the statement of comprehensive income.

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

3 Net assets attributable to unitholders (continued)

	Sustainability Leaders Diversified Bond ETF		U.S. Dollar ETF	
	30 June 2021 Units '000	30 June 2020 Units '000	30 June 2021 Units '000	30 June 2020 Units '000
Net assets attributable to unitholders				
Opening balance	2,480	-	20,934	292,584
Applications	3,360	2,880	4,175	53,676
Redemptions	-	(400)	(14,175)	(185,168)
Units issued upon reinvestment of distributions	10	-	10	137
Distributions to unitholders	-	-	-	(3,104)
Profit/(loss) for the period	-	-	(1,171)	(21,309)
Closing balance	5,850	2,480	10,944	139,920

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 period were as follows:

	Australian Bank Senior Floating Rate Bond ETF			Australian Government Bond ETF			
	30 June 2021 \$'000	30 June 2021 CPU	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2021 CPU	30 June 2020 \$'000	30 June 2020 CPU
Distributions paid - July	420	1.52	1,038	20	3.27	5	4.34
Distributions paid - August	400	1.45	862	28	3.68	10	6.21
Distributions paid - September	390	1.41	1,025	28	3.56	8	4.94
Distributions paid - October	350	1.26	1,079	42	3.54	8	4.10
Distributions paid - November	325	1.16	1,050	53	3.67	10	5.04
Distributions paid - December	500	1.72	1,130	63	4.13	23	5.26
Distributions paid - January	460	1.58	1,260	78	4.06	22	5.00
Distributions paid - February	499	1.73	1,158	76	3.95	20	4.55
Distributions paid - March	501	1.94	926	164	4.65	16	5.00
Distributions paid - April	707	2.74	550	147	4.11	11	4.58
Distributions paid - May	700	2.71	370	150	4.21	14	5.00
Distributions payable - June	1,137	4.40	340	140	3.93	30	8.29
Total distributions	6,389	23.62	10,788	989	46.76	177	62.31

4 Distributions to unitholders (continued)

	Australian High Interest Cash ETF			Australian Investment Grade Corporate Bond ETF		
	30 June 2021	30 June 2021	30 June 2020	30 June 2021	30 June 2021	30 June 2020
	\$'000	CPU	\$'000	\$'000	CPU	CPU
Distributions paid - July	1,204	2.82	2,133	779	5.66	6.05
Distributions paid - August	1,268	2.72	2,117	774	5.29	5.45
Distributions paid - September	1,111	2.62	2,319	804	5.34	6.67
Distributions paid - October	1,151	2.61	2,003	819	5.30	6.41
Distributions paid - November	928	2.15	1,776	838	5.24	8.00
Distributions paid - December	802	1.82	1,919	1,400	8.41	10.58
Distributions paid - January	729	1.66	1,887	1,406	8.21	10.13
Distributions paid - February	708	1.58	1,798	1,507	8.48	14.46
Distributions paid - March	812	1.89	1,366	2,000	11.35	10.97
Distributions paid - April	708	1.53	1,056	2,700	15.19	11.51
Distributions paid - May	715	1.56	948	3,164	17.48	11.00
Distributions payable - June	616	1.46	1,157	5,447	30.08	25.64
Total distributions	10,752	24.42	20,479	21,638	126.03	126.87

	Australian Major Bank Hybrids Index ETF			British Pound ETF ⁴		
	30 June 2021	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2020
	\$'000	CPU	\$'000	\$'000	\$'000	CPU
Distributions paid - May	21	2.64	-	-	-	-
Distributions payable - June	26	2.00	-	-	84	9.15
Total distributions	47	4.64	-	-	84	9.15

⁴ BetaShares British Pound ETF is a yearly distributing fund.

4 Distributions to unitholders (continued)

	Euro ETF		Global Government Bond 20+ Year ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$²	\$²	\$²	\$²
Distributions paid - September	-	-	3,781	4.75
Distributions paid - December	-	-	3,990	5.00
Distributions paid - March	-	-	8,674	5.43
Distributions payable - June	-	-	72,695	45.40
Total distributions	-	-	89,140	60.58
				CPU
				CPU

Sustainability Leaders Diversified Bond ETF

	Sustainability Leaders Diversified Bond ETF		U.S. Dollar ETFs	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000
Distributions paid - September	110	-	-	-
Distributions paid - December	105	-	-	-
Distributions paid - March	75	162	-	-
Distributions payable - June	2,855	88	-	-
Total distributions	3,145	250	-	3,104
				CPU
				CPU

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.

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

⁵ BetaShares U.S. Dollar ETF is a yearly distributing fund.

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

	Australian Bank Senior Floating Rate Bond ETF		Australian Government Bond ETF		Australian Investment Grade Corporate Bond ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss						
Listed unit trusts	-	-	-	-	-	4,005
Floating rate notes	671,863	708,560	-	-	-	-
Fixed interest securities	-	-	179,422	18,661	487,364	339,414
Total financial assets at fair value through profit or loss	671,863	708,560	179,422	18,661	487,364	343,419

	Australian Major Bank Hybrids Index ETF		Global Government Bond 20+ Year ETF		Sustainability Leaders Diversified Bond ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$ ²	\$ ²	\$'000	\$'000
Financial assets at fair value through profit or loss						
Foreign currency contracts	-	-	-	67,446	-	828
Bond futures	-	-	-	-	10	5
Listed unit trusts	13,043	-	-	-	-	-
Fixed interest securities	-	-	3,638,361	1,890,299	141,371	58,401
Total financial assets at fair value through profit or loss	13,043	-	3,638,361	1,957,745	141,381	59,234

	30 June 2021	30 June 2020
Financial liabilities at fair value through profit or loss		
Foreign currency contracts	46,145	-
Total financial assets at fair value through profit or loss	46,145	358

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

6 Other receivables

	Australian Bank Senior Floating Rate Bond ETF		Australian Government Bond ETF		Australian High Interest Cash ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Applications receivable	-	-	-	-	30,050	-
Interest receivable	824	1,016	810	96	941	1,250
GST receivable	35	38	9	1	94	73
Total other receivables	859	1,054	819	97	31,085	1,323

	Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF		British Pound ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Dividends/Distributions receivable	-	3	7	-	-	-
Interest receivable	3,296	2,826	-	-	-	-
GST receivable	28	20	-	-	1	2
Total other receivables	3,324	2,849	7	7	1	2

6 Other receivables (continued)

	Euro ETF		Global Government Bond 20+ Year ETF		Sustainability Leaders Diversified Bond ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$	\$	\$	\$	\$'000	\$'000
Interest receivable	-	-	19,160	10,350	783	385
GST receivable	920	1,151	241	54	16	7
Total other receivables	920	1,151	19,401	10,404	799	392

	U.S. Dollar ETF	
	30 June 2021	30 June 2020
	\$'000	\$'000
Interest receivable	12	58
GST receivable	15	32
Total other receivables	27	90

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

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

	Australian Bank Senior Floating Rate Bond ETF		Australian Government Bond ETF		Australian High Interest Cash ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities						
Profit/(loss)	10,336	13,233	(1,321)	727	10,638	20,215
Proceeds from sale of financial instruments at fair value through profit or loss	233,182	625,055	63,689	12,747	-	-
Payments for the purchase of financial instruments at fair value through profit or loss	(191,247)	(836,697)	(227,918)	(31,041)	-	-
Net (gains)/losses on financial instruments at fair value through profit or loss	(5,238)	(1,654)	3,468	(367)	-	-
Net change in dividends/distributions receivable	-	9	-	-	-	-
Net change in interest receivable	192	585	(714)	(96)	309	1,138
Net change in receivables and other assets	3	(16)	(8)	(1)	(21)	(15)
Net change in payables and other liabilities	(13)	54	33	4	39	86
Net cash inflow/(outflow) from operating activities	47,215	(199,431)	(162,771)	(18,027)	10,965	21,424

	Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF		British Pound ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities						
Profit/(loss)	17,554	9,410	115	-	296	(239)
Proceeds from sale of financial instruments at fair value through profit or loss	399,629	261,697	725	-	-	-
Payments for the purchase of financial instruments at fair value through profit or loss	(539,154)	(372,075)	(13,709)	-	-	-
Net (gains)/losses on financial instruments at fair value through profit or loss	(4,420)	3,517	(59)	-	-	-
Net change in dividends/distributions receivable	3	12	(7)	-	-	-
Net change in interest receivable	(470)	(771)	-	-	-	9
Net change in receivables and other assets	(8)	(10)	-	-	1	-
Net foreign exchange (gains)/losses	-	-	-	-	(361)	235
Net change in payables and other liabilities	66	45	4	-	(2)	-
Net cash inflow/(outflow) from operating activities	(126,800)	(98,175)	(12,931)	(66)	(56)	5

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

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

	Euro ETF		Global Government Bond 20+ Year ETF		Sustainability Leaders Diversified Bond ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$	\$	\$	\$	\$'000	\$'000
Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities						
Profit/(loss)	(214,230)	(373,566)	(234,597)	(6,120)	(1,171)	1,109
Increase/(decrease) in net assets attributable to unitholders	-	-	-	-	-	-
Proceeds from sale of financial instruments at fair value through profit or loss	-	-	707,316	57,402	19,803	17,049
Payments for the purchase of financial instruments at fair value through profit or loss	-	-	(2,621,272)	(2,027,660)	(104,529)	(75,831)
Net (gains)/losses on financial instruments at fair value through profit or loss	-	-	251,835	12,567	2,488	(553)
Net change in interest receivable	-	-	(8,810)	(10,350)	(398)	(385)
Net change in receivables and other assets	231	(535)	(187)	(54)	(9)	(7)
Net foreign exchange (gains)/losses	134,138	311,476	26,989	382	426	109
Net change in payables and other liabilities	(693)	7,428	583	412	33	27
Net cash inflow/(outflow) from operating activities	(80,554)	(55,197)	(1,878,143)	(1,973,421)	(63,357)	(58,482)

U.S.

	Dollar ETF	
	30 June 2021	30 June 2020
	\$'000	\$'000
Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities		
Profit/(loss)	(21,309)	2,112
Net change in interest receivable	46	404
Net change in receivables and other assets	17	2
Net foreign exchange (gains)/losses	20,895	584
Net change in payables and other liabilities	(71)	6
Net cash inflow/(outflow) from operating activities	(422)	3,108

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

8 Financial risk management

The Funds are exchange traded managed funds that primarily invest in a portfolio of Australian and foreign cash and cash equivalents and interest bearing securities.

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.

(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

BetaShares Australian Major Bank Hybrids Index ETF is exposed to equity securities and derivatives price risk. This arises from investments held by the Fund 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 Fund's overall market positions are reported to the Board on a regular basis.

8 Financial risk management (continued)

(a) Market risk (continued)

(i) Price risk (continued)

Sensitivity analysis

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

	Australian Major Bank Hybrids Index ETF
	30 June 2021 \$'000
+10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	1,304
-10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	(1,304)

Other than BetaShares Australian Major Bank Hybrids Index ETF, due to the nature of the Funds' investments, the Funds are not expected to be exposed to significant direct price risk. The Funds hold cash (including cash denominated in currencies other than the Australian dollar) and interest bearing securities. Certain investments have exposure to interest rate risk, credit risk and/or foreign exchange risk. These market risks are described below.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest bearing financial assets are exposed to fluctuations in the prevailing levels of market interest rates on their financial position and cash flows. Financial instruments with variable interest rates expose Funds to cash flow interest rate risk. Financial instruments with fixed interest rates expose Funds to fair value interest rate risk. The risk is measured using sensitivity analysis.

BetaShares Australian Major Bank Hybrids Index ETF does not have exposure to interest rate risk.

8 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

The tables below summarises the Funds' exposure to interest rate risks.

	Floating interest rate		Fixed interest rate		Non-interest bearing		Total		Floating interest rate		Fixed interest rate		Non-interest bearing		Total	
	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Bank Senior Floating Rate Bond ETF																
Assets																
Cash and cash equivalents	1,009	-	-	-	-	-	1,009	-	913	-	-	-	-	-	-	913
Financial assets at fair value through profit or loss	671,863	-	-	-	-	-	671,863	708,560	708,560	-	-	-	-	-	-	708,560
Other receivables	-	-	-	-	-	859	859	-	-	-	-	-	-	1,054	-	1,054
Liabilities																
Distributions payable	-	-	-	-	-	(1,137)	(1,137)	-	-	-	-	-	-	(340)	-	(340)
Other payables	-	-	-	-	-	(136)	(136)	-	-	-	-	-	-	(149)	-	(149)
Net exposure	672,872	-	-	-	-	(414)	672,458	709,473	709,473	-	-	-	-	565	-	710,038

Australian Government Bond ETF

	Floating interest rate		Fixed interest rate		Non-interest bearing		Total		Floating interest rate		Fixed interest rate		Non-interest bearing		Total	
	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets																
Cash and cash equivalents	476	-	-	-	-	-	476	28	28	-	-	-	-	-	-	28
Financial assets at fair value through profit or loss	-	179,422	-	-	-	-	179,422	-	-	18,661	-	-	-	-	-	18,661
Other receivables	-	-	-	-	819	-	819	-	-	-	-	-	-	97	-	97
Liabilities																
Distributions payable	-	-	-	-	(140)	-	(140)	-	-	-	-	-	-	(30)	-	(30)
Other payables	-	-	-	-	(37)	-	(37)	-	-	-	-	-	-	(4)	-	(4)
Net exposure	476	179,422	-	-	642	-	180,540	28	28	18,661	-	-	63	-	-	18,752

8 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

Australian High Interest Cash ETF

	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2020	30 June 2020	30 June 2020	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets								
Cash and cash equivalents	2,038,165	50,000	-	2,088,165	1,917,987	50,000	-	1,967,987
Other receivables	-	-	31,085	31,085	-	-	1,323	1,323
Liabilities								
Distributions payable	-	-	(616)	(616)	-	-	(1,157)	(1,157)
Other payables	-	-	(353)	(353)	-	-	(314)	(314)
Net exposure	2,038,165	50,000	30,116	2,118,281	1,917,987	50,000	(148)	1,967,839

Australian Investment Grade Corporate Bond ETF

	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2020	30 June 2020	30 June 2020	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets								
Cash and cash equivalents	593	-	-	593	2,824	-	-	2,824
Financial assets at fair value through profit and loss	-	487,364	-	487,364	-	339,414	4,005	343,419
Other receivables	-	-	3,324	3,324	-	-	2,849	2,849
Liabilities								
Distributions payable	-	-	(5,447)	(5,447)	-	-	(3,303)	(3,303)
Due to brokers - payables for securities purchased	-	-	-	-	-	-	-	-
Other payables	-	-	(164)	(164)	-	-	(98)	(98)
Net exposure	593	487,364	(2,287)	485,670	2,824	339,414	3,453	345,691

8 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

British Pound ETF

	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2020	30 June 2020	30 June 2020	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets								
Cash and cash equivalents	13,321	-	-	13,321	16,186	-	-	16,186
Other receivables	-	-	1	1	-	-	2	2
Liabilities								
Distributions payable	-	-	-	-	-	-	(84)	(84)
Other payables	-	-	(6)	(6)	-	-	(8)	(8)
Net exposure	13,321	-	(5)	13,316	16,186	-	(90)	16,096

Euro ETF

	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2020	30 June 2020	30 June 2020	30 June 2020
	\$²	\$²	\$²	\$²	\$²	\$²	\$²	\$²
Assets								
Cash and cash equivalents	8,822,146	-	-	8,822,146	11,553,376	-	-	11,553,376
Other receivables	-	-	920	920	-	-	1,151	1,151
Liabilities								
Other payables	-	-	(8,991)	(8,991)	-	-	(9,684)	(9,684)
Net exposure	8,822,146	-	(8,071)	8,814,075	11,553,376	-	(8,533)	11,544,843

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

8 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

Global Government Bond 20+ Year ETF

	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2020	30 June 2020	30 June 2020	30 June 2020
	\$ ²	\$ ²	\$ ²	\$ ²	\$ ²	\$ ²	\$ ²	\$ ²
Assets								
Cash and cash equivalents	16,211	-	-	16,211	26,143	-	-	26,143
Financial assets at fair value through profit and loss	-	3,638,361	-	3,638,361	-	1,890,299	67,446	1,957,745
Other receivables	-	-	19,401	19,401	-	-	10,404	10,404
Liabilities								
Financial liabilities at fair value through profit and loss	-	-	(46,145)	(46,145)	-	-	-	-
Distributions payable	-	-	(72,695)	(72,695)	-	-	(42,302)	(42,302)
Other payables	-	-	(995)	(995)	-	-	(412)	(412)
Net exposure	16,211	3,638,361	(100,434)	3,554,138	26,143	1,890,299	35,136	1,951,578

Sustainability Leaders Diversified Bond ETF

	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2020	30 June 2020	30 June 2020	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets								
Cash and cash equivalents	6,019	-	-	6,019	3,658	-	-	3,658
Financial assets at fair value through profit and loss	-	141,381	-	141,381	-	58,406	828	59,234
Other receivables	-	-	799	799	-	-	392	392
Liabilities								
Financial liabilities at fair value through profit and loss	-	-	(358)	(358)	-	-	-	-
Distributions payable	-	-	(2,855)	(2,855)	-	-	(88)	(88)
Other payables	-	-	(60)	(60)	-	-	(27)	(27)
Net exposure	6,019	141,381	(2,474)	144,926	3,658	58,406	1,105	63,169

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

8 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

U.S. Dollar ETF	Floating interest rate		Fixed interest rate		Non-interest bearing		Total		Floating interest rate		Fixed interest rate		Non-interest bearing		Total	
	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2020	\$'000	30 June 2020	\$'000	30 June 2020	\$'000
Assets																
Cash and cash equivalents	139,949	-	-	-	-	-	139,949	-	295,725	-	-	-	-	-	-	295,725
Other receivables	-	-	-	-	27	-	27	-	-	-	-	-	90	-	90	-
Liabilities																
Distributions payable	-	-	-	-	-	-	-	-	-	-	-	-	(3,104)	-	(3,104)	-
Other payables	-	-	-	-	(56)	-	(56)	-	-	-	-	-	(127)	-	(127)	-
Net exposure	139,949	-	-	-	(29)	-	139,920	-	295,725	-	-	-	(3,141)	-	292,584	-

Sensitivity analysis - Interest rate risk

The table below summarises the sensitivities of the interest rate risk. The analysis is based on the assumption that interest rates increase or decrease by a "predetermined basis points" from the period end rates with all other variables held constant. The impact mainly arises from changes in the fair value of debt securities. The "predetermined basis points" for 30 June 2021 and 30 June 2020 are noted in the table below. Management have considered the movements for each investment asset type to be reasonable given the Funds' economic environment.

	Currencies	Sensitivity rate (basis points)	Impact on net assets attributable to unitholders and profit/(loss)	
			Increase 30 June 2021	Decrease 30 June 2021
Australian Bank Senior Floating Rate Bond ETF (\$000)	Australian Dollars	25	1,464	(1,464)
Australian Government Bond ETF (\$000)	Australian Dollars	25	(3,376)	3,376
Australian High Interest Cash ETF (\$000)	Australian Dollars	25	5,220	(5,220)
Australian Investment Grade Corporate Bond ETF (\$000)	Australian Dollars	25	(8,042)	8,042
British Pound ETF (\$000)	British pounds	25	33	(33)
Euro ETF (\$) ²	Euros	25	22,055	(22,055)
Global Government Bond 20+ Year ETF (\$) ²	Australian Dollars	25	(163,852)	163,852
Sustainability Leaders Diversified Bond ETF (\$000)	Australian Dollars	25	(2,481)	2,481
U.S. Dollar ETF (\$000)	U.S. Dollars	25	350	(350)
			Increase 30 June 2020	Decrease 30 June 2020
			1,560	(1,560)
			(326)	326
			4,920	(4,920)
			(5,244)	5,244
			40	(40)
			28,883	(28,883)
			(74,698)	74,698
			(893)	893
			739	(739)

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

8 Financial risk management (continued)

(a) Market risk (continued)

(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.

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.

	British Pound ETF		Euro ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Currency	\$'000	\$'000	\$²	\$²
GBP*	13,302	16,179	EUR**	EUR**
	13,302	16,179	8,810,943	11,545,583
			8,810,943	11,545,583
Net foreign currency exposure				
	Global Government Bond 20+ Year ETF		Sustainability Leaders Diversified Bond ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Currency	\$²	\$²	\$'000	\$'000
USD	43,375	17,517		
EUR	8,098	(12,365)		
GBP	17,384	(9,913)		
Others	3,384	1,446		
	72,241	(3,315)		
			USD (39)	USD 151
			EUR 331	EUR 49
			291	200
Net foreign currency exposure				

² Rounding to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

* This Fund only has GBP exposure.

** This Fund only has EUR exposure.

8 Financial risk management (continued)

(a) Market risk (continued)

(iii) Foreign exchange risk (continued)

	U.S. Dollar ETF			U.S. Dollar ETF	
	30 June 2021 Currency \$'000	30 June 2020 Currency \$'000		30 June 2021 Currency \$'000	30 June 2020 Currency \$'000
Net foreign currency exposure	USD***	139,942	USD***	295,779	
		<u>139,942</u>		<u>295,779</u>	

Sensitivity analysis - Foreign exchange risk

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

	British Pound ETF		Euro ETF		Global Government Bond 20+ Year ETF	
	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$ ²	30 June 2020 \$ ²	30 June 2021 \$ ²	30 June 2020 \$ ²
Impact on profit/(loss) from operating activities and net assets attributable to unitholders	(1,330)	(1,618)	(881,094)	(1,154,558)	(367,373)	(192,277)
10% AUD appreciation against foreign currency (2020: 10%)						

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

	Sustainability Leaders Diversified Bond ETF		U.S. Dollar ETF	
	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000
Impact on profit/(loss) from operating activities and net assets attributable to unitholders	(7,150)	(3,084)	(13,994)	(29,578)
10% AUD appreciation against foreign currency (2020: 10%)				

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

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

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

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

***This Fund only has USD exposure.

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 Responsible Entity 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) Debt securities

Certain Funds invest in debt securities. An analysis of debt securities by rating of the issuer is set out in the table below for Funds which have such securities.

Rating	Australian Bank Senior Floating Rate Bond ETF		Australian Government Bond ETF		Australian Investment Grade Corporate Bond ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
AAA	-	-	138,508	16,443	-	2,317
AA+ to AA-	537,272	573,423	40,914	2,218	-	24,825
A+ to A-	67,443	65,128	-	-	92,865	112,143
BBB+ to BBB-	67,148	70,009	-	-	394,499	200,129
Total	671,863	708,560	179,422	18,661	487,364	339,414

8 Financial risk management (continued)

(b) Credit risk (continued)

(iii) Debt securities (continued)

Rating	Global Government Bond 20+ Year ETF		Sustainability Leaders Diversified Bond ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$ ²	\$ ²	\$'000	\$'000
AAA	518,966	235,230	33,150	25,347
AA+ to AA-	2,041,097	1,115,686	81,163	21,925
A+ to A-	808,247	416,436	15,217	6,021
BBB+ to BBB-	270,051	122,947	11,329	4,744
Non Rated	-	-	512	364
Total	3,638,361	1,890,299	141,371	58,401

(iv) 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- 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 and debt securities 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.

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

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.

	Australian Bank Senior Floating Rate Bond 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
Distributions payable	-	1,137	-	1,137	-	340	-	340
Other payables	-	136	-	136	-	149	-	149
Contractual cash flows (excluding net settled derivatives)	-	1,273	-	1,273	-	489	-	489

	Australian Government Bond 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
Distributions payable	-	140	-	140	-	30	-	30
Other payables	-	37	-	37	-	4	-	4
Contractual cash flows (excluding net settled derivatives)	-	177	-	177	-	34	-	34

	Australian High Interest Cash 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
Distributions payable	-	616	-	616	-	1,157	-	1,157
Other payables	-	353	-	353	-	314	-	314
Contractual cash flows (excluding net settled derivatives)	-	969	-	969	-	1,471	-	1,471

8 Financial risk management (continued)

(c) Liquidity risk (continued)

	Australian Investment Grade Corporate Bond 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
Distributions payable	-	5,447	-	5,447	-	3,303	-	3,303
Other payables	-	164	-	164	-	98	-	98
Contractual cash flows (excluding net settled derivatives)	-	5,611	-	5,611	-	3,401	-	3,401

Australian Major Bank Hybrids Index 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
Distributions payable	-	26	-	26	-	-	-
Other payables	-	4	-	4	-	-	-
Contractual cash flows (excluding net settled derivatives)	-	30	-	30	-	-	-

British Pound 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
Distributions payable	-	-	-	-	-	-	-
Other payables	-	6	-	-	-	-	-
Contractual cash flows (excluding net settled derivatives)	-	6	-	-	-	-	-
			6		84		84
			6		8		8
			6		92		92

8 Financial risk management (continued)

(c) Liquidity risk (continued)

	Euro ETF*							
	On demand 30 June 2021 \$ ²	Less than 6 months 30 June 2021 \$ ²	Greater than 6 months 30 June 2021 \$ ²	Total 30 June 2021 \$ ²	On demand 30 June 2020 \$ ²	Less than 6 months 30 June 2020 \$ ²	Greater than 6 months 30 June 2020 \$ ²	Total 30 June 2020 \$ ²
Other payables	-	8,991	-	8,991	-	9,684	-	9,684
Net assets attributable to unit holders*	8,814,075	-	-	8,814,075	-	-	-	-
Contractual cash flows (excluding net settled derivatives)	8,814,075	8,991	-	8,823,066	-	9,684	-	9,684
	Global Government Bond 20+ Year ETF							
	On demand 30 June 2021 \$ ²	Less than 6 months 30 June 2021 \$ ²	Greater than 6 months 30 June 2021 \$ ²	Total 30 June 2021 \$ ²	On demand 30 June 2020 \$ ²	Less than 6 months 30 June 2020 \$ ²	Greater than 6 months 30 June 2020 \$ ²	Total 30 June 2020 \$ ²
Distributions payable	-	72,695	-	72,695	-	42,302	-	42,302
Other payables	-	995	-	995	-	412	-	412
Contractual cash flows (excluding net settled derivatives)	-	73,690	-	73,690	-	42,714	-	42,714
Foreign currency contracts	-	46,145	-	46,145	-	-	-	-
Net settled derivatives	-	46,145	-	46,145	-	-	-	-

*Net assets attributable to unit holders are reclassified from equity to liability from 19 February 2021 for Euro ETF. Refer to note 3 for further detail.

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

8 Financial risk management (continued)

(c) Liquidity risk (continued)

	Sustainability Leaders Diversified Bond ETF								
	Less than 6 months		Greater than 6 months		Total 30 June 2021	On demand 30 June 2020	Less than 6 months 30 June 2020	Greater than 6 months 30 June 2020	Total 30 June 2020
	30 June 2021	\$'000	30 June 2021	\$'000					
Distributions payable	-	2,855	-	-	2,855	-	-	88	88
Other payables	-	60	-	-	60	-	-	27	27
Contractual cash flows (excluding net settled derivatives)	-	2,915	-	-	2,915	-	-	115	115
Foreign currency contracts	-	358	-	-	358	-	-	-	-
Net settled derivatives	-	358	-	-	358	-	-	-	-

U.S. Dollar ETF

	Less than 6 months		Greater than 6 months		Total 30 June 2021	On demand 30 June 2020	Less than 6 months 30 June 2020	Greater than 6 months 30 June 2020	Total 30 June 2020
	30 June 2021	\$'000	30 June 2021	\$'000					
	Distributions payable	-	-	-	-	-	-	-	3,104
Other payables	-	56	-	-	56	-	-	127	127
Contractual cash flows (excluding net settled derivatives)	-	56	-	-	56	-	-	3,231	3,231

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
	\$ ²	\$ ²	\$ ²	\$ ²	\$ ²	\$ ²
Global Government Bond 20+ Year ETF						
As at 30 June 2021						
Financial liabilities	(46,449)	304	(46,145)	-	-	(46,145)
Foreign currency contracts	(46,449)	304	(46,145)	-	-	(46,145)
Total						
As at 30 June 2020						
Financial assets	67,446	-	67,446	-	-	67,446
Foreign currency contracts	67,446	-	67,446	-	-	67,446
Total						

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

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)	Stock and cash collateral pledged		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Sustainability Leaders Diversified Bond ETF							
As at 30 June 2021							
Financial assets	10	-	10	-	-	10	10
Bond futures	10	-	10	-	-	10	10
Total							
As at 30 June 2020							
Financial assets	832	(4)	828	-	-	828	828
Foreign currency contracts	5	-	5	-	-	5	5
Bond futures	837	(4)	833	-	-	833	833
Total							
As at 30 June 2021							
Financial liabilities	20	(378)	(358)	-	-	(358)	(358)
Foreign currency contracts	20	(378)	(358)	-	-	(358)	(358)
Total							

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).

10 Fair value measurements (continued)

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.

(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 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.

10 Fair value measurements (continued)

Fair value estimation (continued)

(iii) Recognised fair value measurements

The tables below set out the Australian Bank Senior Floating Rate Bond ETF and the Australian Investment Grade Corporate Bond ETF financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy:

Australian Bank Senior Floating Rate Bond ETF										
	Level 1		Level 2		Level 3		Total		Level 3	
	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2020	\$'000
Financial assets	-		671,863		-		671,863		708,560	
Financial assets at fair value through profit or loss:										
Floating rate notes	-		671,863		-		671,863		708,560	
Total										

Australian Government Bond ETF										
	Level 1		Level 2		Level 3		Total		Level 3	
	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2020	\$'000
Financial assets	-		179,422		-		179,422		18,661	
Financial assets at fair value through profit or loss:										
Fixed interest securities	-		179,422		-		179,422		18,661	
Total										

Australian Investment Grade Corporate Bond ETF										
	Level 1		Level 2		Level 3		Total		Level 3	
	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2021	\$'000	30 June 2020	\$'000
Financial assets	-		-		-		-		-	
Financial assets at fair value through profit or loss:										
Listed unit trusts	-		487,364		-		487,364		339,414	
Fixed interest securities	-		487,364		-		487,364		339,414	
Total										

10 Fair value measurements (continued)

Fair value estimation (continued)

(iii) Recognised fair value measurements (continued)

Australian Major Bank Hybrids Index ETF				
Level 1	Level 2	Level 3	Total	
30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021
\$'000	\$'000	\$'000	\$'000	
13,043	-	-	13,043	
13,043	-	-	13,043	

Financial assets

Financial assets at fair value through profit or loss:

Listed securities

Total

Global Government Bond 20+ Year ETF						
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2020	30 June 2020	30 June 2020
\$ ²	\$ ²	\$ ²	\$ ²	\$ ²	\$ ²	\$ ²
-	-	-	-	-	67,446	-
-	3,638,361	-	3,638,361	-	1,890,299	-
-	3,638,361	-	3,638,361	-	1,957,745	-
-	-	-	-	-	-	67,446
-	-	-	-	-	-	1,890,299
-	-	-	-	-	-	1,957,745

Financial assets

Financial assets at fair value through profit or loss:

Foreign currency contracts

Fixed interest securities

Total

Financial liabilities

Financial liabilities at fair value through profit or loss:

Foreign currency contracts

Total

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

10 Fair value measurements (continued)

Fair value estimation (continued)

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

	Sustainability Leaders Diversified Bond ETF						
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2020 \$'000	30 June 2020 \$'000
Financial assets							
Financial assets at fair value through profit or loss:							
Foreign currency contracts	-	-	-	-	-	828	-
Bond futures	10	-	-	10	5	-	-
Fixed interest securities	-	141,371	-	141,371	-	58,401	-
Total	10	141,371	-	141,381	5	59,229	-
Financial liabilities							
Financial liabilities at fair value through profit or loss:							
Foreign currency contracts	-	358	-	358	-	-	-
Total	-	358	-	358	-	-	-

(iv) *Transfers between levels*

There were no transfers between levels during the period 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 values of financial instruments not carried at fair value*

The carrying values of financial instruments not carried at fair value 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.

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 Government Bond 20+ Year ETF				Sustainability Leaders Diversified Bond ETF							
	Contract/ notional 30 June 2021 \$ ²	Assets 30 June 2021 \$ ²	Liabilities 30 June 2021 \$ ²	Contract/ notional 30 June 2020 \$ ²	Assets 30 June 2020 \$ ²	Liabilities 30 June 2020 \$ ²	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	3,555,333	-	46,145	1,993,521	67,446	-	70,862	-	358	31,474	828	-
Bond futures	-	-	-	-	-	-	4,180	-	-	1,952	5	-
Total	3,555,333	-	46,145	1,993,521	67,446	-	75,042	10	358	33,426	833	-

² Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

12 Auditor's remuneration

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

	Australian Bank Senior Floating Rate Bond ETF		Australian Government Bond ETF		Australian High Interest Cash ETF		Australian Investment Grade Corporate Bond 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
KPMG								
<i>Audit and other assurance service</i>								
Audit and review of financial reports	4,982	4,982	4,982	4,982	4,982	4,982	4,982	4,982
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	6,212	6,212	6,212	6,212	6,212	6,212	6,212	6,212

	Australian Major Bank Hybrids Index ETF		British Pound ETF		Euro ETF		Global Government Bond 20+ Year 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
KPMG								
<i>Audit and other assurance service</i>								
Audit and review of financial reports	3,752	4,982	4,982	4,982	4,982	4,982	4,982	3,752
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	4,982	6,212	6,212	6,212	6,212	6,212	6,212	4,982

	Sustainability Leaders Diversified Bond ETF		U.S. Dollar ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
KPMG				
<i>Audit and other assurance service</i>				
Audit and review of financial reports	4,982	3,752	4,982	4,982
Audit of compliance plan	1,230	1,230	1,230	1,230
Total remuneration of audit and other assurance services	6,212	4,982	6,212	6,212

13 Related party transactions

Responsible Entity

The Responsible Entity of the Funds is BetaShares Capital Ltd.

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 period 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 Jungho 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 period.

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
	%	%	%	%
Australian Bank Senior Floating Rate Bond ETF	0.19	0.19	0.03	0.03
Australian Government Bond ETF	0.19	0.19	0.03	0.03
Australian High Interest Cash ETF	0.18	0.18	-	-
Australian Investment Grade Corporate Bond ETF	0.22	0.22	0.03	0.03
Australian Major Bank Hybrids Index ETF ¹	0.35	N/A	-	N/A
British Pound ETF	0.45	0.45	-	-
Euro ETF	0.45	0.45	-	-
Global Government Bond 20+ Year ETF	0.19	0.19	0.03	0.03
Sustainability Leaders Diversified Bond ETF	0.39	0.39	0.10	0.10
U.S. Dollar ETF	0.45	0.45	-	-

¹ There was no comparative for BetaShares Australian Major Bank Hybrids Index ETF. The Fund commenced trading on 21 April 2021.

13 Related party transactions (continued)

(b) Other key management personnel (continued)

The related party transactions during the period and amounts payable at period end were as follows:

	Australian Bank Senior Floating Rate Bond ETF		Australian Government Bond ETF		Australian High Interest Cash ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Management fees expensed to the Responsible Entity	1,343,140	1,327,153	189,873	26,872	3,934,833	3,198,691
Management fees payable to the Responsible Entity at reporting date	112,149	126,084	30,107	2,996	342,561	304,335
Expense recoveries expensed to the Responsible Entity	214,145	212,341	29,980	4,243	-	-
Expense recoveries payable to the Responsible Entity at reporting date	17,708	19,908	4,754	473	-	-
Management fees rebate received from the Responsible Entity	13,109	17,674	-	-	-	-
	Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF		British Pound ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Management fees expensed to the Responsible Entity	971,929	753,854	4,646	-	64,958	94,287
Management fees payable to the Responsible Entity at reporting date	94,778	70,630	3,244	-	5,252	7,108
Expense recoveries expensed to the Responsible Entity	133,705	105,023	-	-	-	-
Expense recoveries payable to the Responsible Entity at reporting date	12,924	9631	-	-	-	-
Management fees rebate received from the Responsible Entity	8,575	16,314	-	-	-	-
Management fees rebate received from the Responsible Entity at reporting date	-	593	-	-	-	-

13 Related party transactions (continued)

(b) Other key management personnel (continued)

	Euro ETF		Global Government Bond 20+ Year ETF		Sustainability Leaders Diversified Bond ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Management fees expensed to the Responsible Entity	35,489	32,179	5,170	556	406,641	108,356
Management fees payable to the Responsible Entity at reporting date	3,479	4,870	609	356	47,626	21,139
Expense recoveries expensed to the Responsible Entity	-	-	816	88	104,267	27,784
Expense recoveries payable to the Responsible Entity at reporting date	-	-	96	56	12,212	5,420

U.S. Dollar ETF	
30 June 2021	30 June 2020
800,552	1,309,269
53,985	124,720

Management fees expensed to the Responsible Entity
Management fees payable to the Responsible Entity at reporting date

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 units in the Funds during the financial period as follows:

Australian Bank Senior Floating Rate Bond ETF

2021

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
BetaShares Capital Ltd	80,000	80,000	2,084,800	0.31	-	-	18,901
BetaShares Ethical Diversified Balanced ETF (formerly known as BetaShares Diversified Balanced ETF)	5,658	-	-	-	3,070	8,728	550
BetaShares Ethical Diversified High Growth ETF (formerly known as BetaShares Diversified Conservative Income ETF)	40,920	-	-	-	-	40,920	2,784
BetaShares Ethical Diversified Growth ETF (formerly known as BetaShares Diversified Growth ETF)	3,828	-	-	-	1,889	5,717	333
Total	130,406	80,000	2,084,800	0.31	4,959	55,365	22,568

2020

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
BetaShares Capital Ltd	80,000	80,000	2,068,000	0.29	-	-	31,354
BetaShares Ethical Diversified Balanced ETF (formerly known as BetaShares Diversified Balanced ETF)	-	5,658	146,264	0.02	6,070	412	1,017
BetaShares Ethical Diversified High Growth ETF (formerly known as BetaShares Diversified Conservative Income ETF)	-	40,920	1,057,817	0.15	43,700	2,780	5,953
BetaShares Ethical Diversified Growth ETF (formerly known as BetaShares Diversified Growth ETF)	-	3,828	98,957	0.01	4,250	422	788
Total	80,000	130,406	3,371,038	0.47	54,020	3,614	39,112

13 Related party transactions (continued)

Related party unitholdings (continued)

Australian Government Bond ETF

2021

Unitholder

	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
BetaShares Ethical Diversified Balanced ETF (formerly known as BetaShares Diversified Balanced ETF)	5,483	-	-	-	3,209	8,692	1,446
BetaShares Ethical Diversified Growth ETF (formerly known as BetaShares Diversified Growth ETF)	3,710	-	-	-	1,831	5,541	855
BetaShares Diversified All Growth ETF (formerly known as BetaShares Diversified High Growth ETF)	6,063	-	-	-	6,016	12,079	1,185
Total	15,256	-	-	-	11,056	26,312	3,486

2020

Unitholder

	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
BetaShares Ethical Diversified Balanced ETF (formerly known as BetaShares Diversified Balanced ETF)	-	5,483	285,568	1.52	6,150	667	2,036
BetaShares Ethical Diversified Growth ETF (formerly known as BetaShares Diversified Growth ETF)	-	3,710	193,226	1.03	4,284	574	1,512
BetaShares Diversified All Growth ETF (formerly known as BetaShares Diversified High Growth ETF)	-	6,063	315,776	1.68	7,034	971	1,844
Total	-	15,256	794,570	4.23	17,468	2,212	5,392

13 Related party transactions (continued)

Related party unitholdings (continued)

Australian High Interest Cash ETF

2021

Unitholder

	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
BetaShares Active Australian Hybrids Fund	409,000	179,713	9,001,824	0.42	660,966	890,253	80,879
BetaShares Australian Bank Senior Floating Rate Bond ETF	-	-	-	-	640,000	640,000	31,521
BetaShares Australian Equities Bear Hedge Fund	1,360,000	692,000	34,647,329	1.64	-	668,000	263,078
BetaShares Australian Investment Grade Corporate Bond ETF	80,000	-	-	-	560,000	640,000	16,469
BetaShares Ethical Diversified Balanced ETF (formerly known as BetaShares Diversified Balanced ETF)	4,461	-	-	-	2,656	7,117	853
BetaShares Ethical Diversified High Growth ETF (formerly known as BetaShares Diversified Conservative Income ETF)	10,151	-	-	-	160	10,311	1,323
BetaShares Ethical Diversified Growth ETF (formerly known as BetaShares Diversified Growth ETF)	2,230	-	-	-	1,697	3,927	436
BetaShares Diversified All Growth ETF (formerly known as BetaShares Diversified High Growth ETF)	2,021	-	-	-	3,399	5,420	381
Total	1,867,863	871,713	43,649,153	2.06	1,868,878	2,865,028	394,940

13 Related party transactions (continued)

Related party unitholdings (continued)

Australian High Interest Cash ETF

2020

Unitholder

	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
BetaShares Active Australian Hybrids Fund	270,406	409,000	20,490,900	1.04	842,135	703,541	163,830
BetaShares Australian Bank Senior Floating Rate Bond ETF	120,000	-	-	-	1,280,000	1,400,000	98,797
BetaShares Australian Equities Bear Hedge Fund	655,000	1,360,000	68,093,095	3.46	705,000	-	449,841
BetaShares Australian Investment Grade Corporate Bond ETF	200,000	80,000	4,005,476	0.20	290,000	410,000	108,988
BetaShares Ethical Diversified Balanced ETF (formerly known as BetaShares Diversified Balanced ETF)	-	4,461	223,355	0.01	5,167	706	1,222
BetaShares Ethical Diversified High Growth ETF (formerly known as BetaShares Diversified Conservative Income ETF)	-	10,151	508,245	0.03	11,343	1,192	2,278
BetaShares Ethical Diversified Growth ETF (formerly known as BetaShares Diversified Growth ETF)	-	2,230	111,653	0.01	2,671	441	677
BetaShares Diversified All Growth ETF (formerly known as BetaShares Diversified High Growth ETF)	-	2,021	101,188	0.01	2,789	768	465
Total	1,245,406	1,867,863	93,533,912	4.76	3,139,105	2,516,648	826,098

13 Related party transactions (continued)

Related party unitholdings (continued)

Australian Investment Grade Corporate Bond ETF

2021

Unitholder

	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
BetaShares Ethical Diversified Balanced ETF (formerly known as BetaShares Diversified Balanced ETF)	5,410	-	-	-	2,991	8,401	2,095
BetaShares Ethical Diversified High Growth ETF (formerly known as BetaShares Diversified Conservative Income ETF)	39,137	-	-	-	-	39,137	10,499
BetaShares Ethical Diversified Growth ETF (formerly known as BetaShares Diversified Growth ETF)	3,661	-	-	-	1,807	5,468	1,269
Total	48,208	-	-	-	4,798	53,006	13,863

2020

Unitholder

	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
BetaShares Ethical Diversified Balanced ETF (formerly known as BetaShares Diversified Balanced ETF)	-	5,410	145,155	0.04	5,644	234	4,911
BetaShares Ethical Diversified High Growth ETF (formerly known as BetaShares Diversified Conservative Income ETF)	-	39,137	1,050,081	0.30	40,679	1,542	31,412
BetaShares Ethical Diversified Growth ETF (formerly known as BetaShares Diversified Growth ETF)	-	3,661	98,227	0.03	3,936	275	3,579
Total	-	48,208	1,293,463	0.37	50,259	2,051	39,902

13 Related party transactions (continued)

Related party unitholdings (continued)

Sustainability Leaders Diversified Bond ETF

2021

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
BetaShares Ethical Diversified Balanced ETF (formerly known as BetaShares Diversified Balanced ETF)	-	124,990	3,096,288	2.14	124,990	-	64,358
BetaShares Ethical Diversified High Growth ETF (formerly known as BetaShares Diversified Conservative Income ETF)	-	29,965	742,302	0.51	39,397	9,432	15,281
BetaShares Ethical Diversified Growth ETF (formerly known as BetaShares Diversified Growth ETF)	-	77,124	1,910,538	1.32	91,449	14,325	39,673
Total	-	232,079	5,749,128	3.97	255,836	23,757	119,312

All transactions with related parties are conducted on normal terms and conditions. From time to time the Responsible Entity or its director-related entities may invest or withdraw from the Funds.

14 Events occurring after the reporting period

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 Funds' investments as a result of COVID-19.

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 period 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 period 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 Australian Bank Senior Floating Rate Bond ETF
BetaShares Australian Government Bond ETF
BetaShares Australian High Interest Cash ETF
BetaShares Australian Investment Grade Corporate Bond ETF
BetaShares Australian Major Bank Hybrids Index ETF
BetaShares British Pound ETF
BetaShares Euro ETF
BetaShares Global Government Bond 20+ Year ETF - Currency Hedged
BetaShares Sustainability Leaders Diversified Bond ETF
BetaShares U.S. Dollar ETF

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 73 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 period 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

To the respective unitholders of the following Schemes:

BetaShares Australian Bank Senior Floating Rate Bond ETF
BetaShares Australian Government Bond ETF
BetaShares Australian High Interest Cash ETF
BetaShares Australian Investment Grade Corporate Bond ETF
BetaShares Australian Major Banks Hybrid Index ETF
BetaShares British Pound ETF
BetaShares Euro ETF
BetaShares Global Government Bond 20+ Year ETF- Currency Hedged
BetaShares Sustainability Leaders Diversified Bond ETF
BetaShares U.S. Dollar ETF

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 BetaShares Australian Bank Senior Floating Rate Bond ETF, BetaShares Australian Government Bond ETF, BetaShares Australian Investment Grade Corporate Bond ETF, BetaShares Australian Major Bank Hybrids Index ETF, BetaShares Global Government Bond 20+ Year ETF- Currency Hedged and BetaShares Sustainability Leaders Diversified Bond ETF is:

- Valuation and existence of financial instruments.

The **Key Audit Matter** we identified for BetaShares Australian High Interest Cash ETF, BetaShares British Pound ETF, BetaShares Euro ETF and BetaShares U.S. Dollar ETF is:

- Existence of cash and cash equivalents.

Valuation and existence of financial instruments (BetaShares Australian Bank Senior Floating Rate Bond ETF \$671,863,000, BetaShares Australian Government Bond ETF \$179,422,000, BetaShares Investment Grade Corporate Bond ETF \$487,364,000, BetaShares Australian Major Bank Hybrids Index ETF \$13,043,000, BetaShares Global Government Bond 20+ Year ETF-Currency Hedged \$3,638,361, BetaShares Sustainability Leaders Diversified Bond ETF \$141,381,000).

Refer to Note 5 to the Financial Report

The key audit matter

Financial instruments at fair value through profit or loss comprise investments in listed securities, debt securities and derivatives ("investments").

The Scheme outsources certain processes and controls relevant to:

- 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;
- Maintaining custody and underlying records of investments to the custodian;

How the matter was addressed in our audit

Our procedures included:

- 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.
- We obtained and read the Scheme's Service Provider's ASAE 3402 *Assurance Reports on Controls at a Service Organisation* and GS007 (*Guidance Statement 007 Audit Implications of the Use of Service Organisations for Investment Management Services*) assurance reports to understand the processes and assess the controls relevant to the:
 - Scheme administrator – to execute transactions, record and value the Scheme's investments;



<p>Valuation and existence of investments is a key audit matter due to the:</p> <ul style="list-style-type: none"> • Size of the Scheme's portfolio of investments. These investments represent a significant percentage of the Scheme's total assets at year end; and • Importance of the performance of these investments in driving the Scheme's investment income and capital performance, as reported in the Financial Report. <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"> - Custodian – to maintain custody and underlying records of the Scheme's investments; • 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. • We assessed the reputation, professional competence and independence of the auditors of the ASAE 3402 and GS007 assurance reports. • We checked the existence of investments, being the ownership and quantity held, to external sources such as independent confirmations for derivative investments as at 30 June 2021. • We checked the valuation of investments, as recorded in the general ledger, to independently sourced prices as at 30 June 2021. <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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<p>Existence of cash and cash equivalents (BetaShares High Interest Cash ETF \$2,088,165,000, BetaShares British Pound ETF \$13,321,000, BetaShares Euro ETF \$8,822,146, BetaShares U.S. Dollar ETF \$139,949,000).</p>	
<p>The key audit matter</p> <p>Cash and cash equivalents comprise deposits held at call with financial institutions ("cash").</p> <p>The Scheme outsources certain processes and controls relevant to:</p> <ul style="list-style-type: none"> • Recording cash transactions to the Scheme administrator; • Maintaining custody and underlying records of cash balances to the custodian; <p>Existence of cash is a key audit matter due to the size of the Scheme's portfolio of cash. These cash balances represent a significant percentage of the Scheme's total assets at year end.</p>	<p>How the matter was addressed in our audit</p> <p>Our procedures included:</p> <ul style="list-style-type: none"> • We obtained and read the Service Provider's ASAE 3402 Assurance Reports on Controls at a Service Organisation and GS007 (Guidance Statement 007 Audit Implications for the Use of Service Organisations for Investment Management Services) assurance reports to understand the processes and assess the controls relevant to the: <ul style="list-style-type: none"> - Custodian – to maintain custody and underlying records of the Scheme's cash balances. • 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.



<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">We assessed the reputation, professional competence and independence of the auditors of the ASAE 3402 and GS007 assurance reports. <p>We requested independent confirmations from the relevant financial institutions of the balance of the deposits held at call for the Scheme at 30 June 2021 and checked to the Scheme's cash balances, as recorded in the general ledger.</p>
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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.

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 Schemes' 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.

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.

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.



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. This description forms part of our Auditor's Report.

KPMG

Nicholas Buchanan

Partner

Sydney

22 September 2021

Booklet 1
Supplementary information
For the period ended 30 June 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.