

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
QRE	BetaShares Australian Resources Sector ETF
QFN	BetaShares Australian Financials Sector ETF
QOZ	BetaShares FTSE RAFI Australia 200 ETF
HVST	BetaShares Australian Dividend Harvester Fund (managed fund)
AUST	BetaShares Managed Risk Australian Share Fund (managed fund)
HBRD	BetaShares Active Australian Hybrids Fund (managed fund)
A200	BetaShares Australia 200 ETF
SMLL	BetaShares Australian Small Companies Select Fund (managed fund)
FAIR	BetaShares Australian Sustainability Leaders ETF
EX20	BetaShares Ex-20 Portfolio Diversifier 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 4

BetaShares Active Australian Hybrids Fund (managed fund) - ASX Code: HBRD (ARSN 613 694 009)

BetaShares Australia 200 ETF - ASX Code: A200 (ARSN 623 014 326)

BetaShares Australian Dividend Harvester Fund (managed fund) - ASX Code: HVST (ARSN 169 907 064)

BetaShares Australian Financials Sector ETF - ASX Code: QFN (ARSN 143 220 964)

BetaShares Australian Resources Sector ETF - ASX Code: QRE (ARSN 143 220 795)

BetaShares Australian Small Companies Select Fund (managed fund) - ASX Code: SMILL (ARSN 613 693 431)

BetaShares Australian Sustainability Leaders ETF - ASX Code: FAIR (ARSN 608 057 996)

BetaShares Ex-20 Portfolio Diversifier ETF - ASX Code: EX20 (ARSN 613 691 688)

BetaShares FTSE RAFI Australia 200 ETF - ASX Code: QOZ (ARSN 155 637 219)

BetaShares Managed Risk Australian Share Fund (managed fund) - ASX Code: AUST (ARSN 602 666 384)

Annual Financial Report

30 June 2021

Booklet 4
Annual Financial Report
30 June 2021

	Page
Contents	
Directors' report	2
Auditor's independence declaration	6
Statements of comprehensive income	7
Statements of financial position	10
Statements of changes in equity	13
Statements of cash flows	16
Notes to the financial statements	19
Directors' declaration	68
Independent auditor's report to the unitholders	69
Supplementary information	73

Directors' report

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

Fund name	Referred to in this document as	Financial reporting year	ARSN
BetaShares Active Australian Hybrids Fund (managed fund)	Active Australian Hybrids Fund	1 July 2020 to 30 June 2021	613 694 009
BetaShares Australia 200 ETF	Australia 200 ETF	1 July 2020 to 30 June 2021	623 014 326
BetaShares Australian Dividend Harvester Fund (managed fund)	Australian Dividend Harvester Fund	1 July 2020 to 30 June 2021	169 907 064
BetaShares Australian Financials Sector ETF	Australian Financials Sector ETF	1 July 2020 to 30 June 2021	143 220 964
BetaShares Australian Resources Sector ETF	Australian Resources Sector ETF	1 July 2020 to 30 June 2021	143 220 795
BetaShares Australian Small Companies Select Fund (managed fund)	Australian Small Companies Select Fund	1 July 2020 to 30 June 2021	613 693 431
BetaShares Australian Sustainability Leaders ETF	Australian Sustainability Leaders ETF	1 July 2020 to 30 June 2021	608 057 996
BetaShares Ex-20 Portfolio Diversifier ETF	Ex-20 Portfolio Diversifier ETF	1 July 2020 to 30 June 2021	613 691 688
BetaShares FTSE RAFI Australia 200 ETF	FTSE RAFI Australia 200 ETF	1 July 2020 to 30 June 2021	155 637 219
BetaShares Managed Risk Australian Share Fund (managed fund)	Managed Risk Australian Share Fund	1 July 2020 to 30 June 2021	602 666 384

Responsible Entity

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

Principal activities

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

The Funds did not have any employees during the year.

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

Directors

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

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)

Directors' report (continued)

Directors (continued)

Non-Executive directors:

Mr Jung-ho 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 year, the Funds continued to invest in accordance with target asset allocations as set out in their governing documents and in accordance with the provisions of the Funds' Constitutions.

The results of operations of the Funds are disclosed in the statements of comprehensive income. The income distributions payable by each of the Funds are disclosed in the statements of financial position. The income distributions paid and payable by each of the Funds are disclosed in Note 4 to the financial statements.

Significant changes in state of affairs

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

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

Matters subsequent to the end of the financial year

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

Subsequent to the end of the financial period, Citigroup Pty Ltd ("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 matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect:

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

Directors' report (continued)

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

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

Fees paid to the Responsible Entity and its associates out of the Funds' property during the year are disclosed in Note 14 to the financial statements.

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

The number of interests in the Funds held by the Responsible Entity or its associates as at the end of the financial year are disclosed in Note 14 to the financial statements.

Interests in the Funds

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

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

Environmental regulation

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

Rounding of amounts to the nearest thousand dollars

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

Directors' report (continued)

Auditor's independence declaration

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

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



Alex Vynokur
Director

Sydney
22 September 2021



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

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

BetaShares Active Australian Hybrids Fund (managed fund)	BetaShares Australian Small Companies Select Fund (managed fund)
BetaShares Australian 200 ETF	BetaShares Australian Sustainability Leaders ETF
BetaShares Australian Dividend Harvester Fund (managed fund)	BetaShares Ex-20 Portfolio Diversifier ETF
BetaShares Australian Financials Sector ETF	BetaShares FTSE RAFI Australia 200 ETF
BetaShares Australian Resources Sector ETF	BetaShares Managed Risk Australian Share Fund (managed fund)

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

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


KPMG



Nicholas Buchanan
Partner
Sydney

22 September 2021

Statements of comprehensive income
For the year ended 30 June 2021

Statements of comprehensive income	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Financials Sector 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
Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment income								
Interest income	30	126	-	-	-	9	-	-
Dividend/distribution income	81	164	31,974	24,734	8,960	13,492	1,383	1,519
Net gains/(losses) on financial instruments at fair value through profit or loss	30,535	(13,389)	234,527	(73,972)	9,637	(30,242)	11,800	(4,646)
Income on convertible instruments	24,974	18,739	-	-	-	-	-	-
Other operating income	53	99	-	18	-	-	-	-
Total net investment income/(loss)	55,673	5,739	266,501	(49,220)	18,597	(16,741)	13,183	(3,127)
Expenses								
Management fees	4,293	2,674	733	486	858	998	130	119
Expense recoveries	960	598	-	-	300	318	-	-
Transaction costs	226	199	8	16	4	14	-	1
Other operating expenses	112	756	7	12	35	10	4	3
Total operating expenses	5,591	4,227	748	514	1,197	1,340	134	123
Profit/(loss) for the year	50,082	1,512	265,753	(49,734)	17,400	(18,081)	13,049	(3,250)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the year	50,082	1,512	265,753	(49,734)	17,400	(18,081)	13,049	(3,250)

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

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

Statements of comprehensive income	Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders 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
Investment income						
Interest income	-	-	1	5	-	-
Dividend/distribution income	3,683	1,758	1,329	1,048	19,260	12,964
Net gains/(losses) on financial instruments at fair value through profit or loss	14,485	406	13,594	(2,756)	125,725	(21,367)
Income on convertible instruments	-	-	-	-	-	-
Other operating income	-	-	-	-	-	-
Total net investment income/(loss)	18,168	2,164	14,924	(1,703)	144,985	(8,403)
Expenses						
Management fees	286	167	153	106	3,070	1,647
Expense recoveries	-	-	33	23	787	422
Transaction costs	2	1	8	7	42	4
Other operating expenses	6	5	21	15	15	14
Total operating expenses	294	173	215	151	3,914	2,087
Profit/(loss) for the year	17,874	1,991	14,709	(1,854)	141,071	(10,490)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss) for the year	17,874	1,991	14,709	(1,854)	141,071	(10,490)

Notes

14
14

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

Booklet 4
Statements of comprehensive income
For the year ended 30 June 2021
(continued)

Statements of comprehensive income	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000
Investment income						
Interest income	-	-	-	-	-	1
Dividend/distribution income	4,604	4,657	10,971	10,536	1,008	1,646
Net gains/(losses) on financial instruments at fair value through profit or loss	29,544	(19,178)	71,962	(42,297)	4,622	(5,003)
Income on convertible instruments	-	-	-	-	-	-
Other operating income	-	66	1	2	-	1
Total net investment income/(loss)	34,148	(14,455)	82,934	(31,759)	5,630	(3,355)
Expenses						
Management fees	319	268	888	776	140	183
Expense recoveries	80	67	296	259	36	47
Transaction costs	11	15	10	7	2	6
Other operating expenses	21	22	11	19	26	13
Total operating expenses	431	372	1,205	1,061	204	249
Profit/(loss) for the year	33,717	(14,827)	81,729	(32,820)	5,426	(3,604)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss) for the year	33,717	(14,827)	81,729	(32,820)	5,426	(3,604)

Notes

14
14

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

Statements of financial position		Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Financials Sector ETF	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets									
	Cash and cash equivalents	43,467	25,731	4,007	1,167	5,465	10,116	336	-
5	Financial assets at fair value through profit or loss	1,203,975	701,814	1,483,158	795,799	152,188	119,637	56,858	35,486
	Due from brokers - receivable for securities sold	243	-	-	-	-	-	-	-
6	Other receivables	4,594	3,598	5,782	19,949	1,319	1,140	451	55
	Total assets	1,252,279	731,143	1,492,947	816,915	158,972	130,893	57,645	35,541
Liabilities									
5	Financial liabilities at fair value through profit or loss	-	-	37	-	56	1,836	22	-
	Due to brokers - payable for securities purchased	23,360	8,453	190	17,917	-	-	-	-
4	Distributions payable	2,537	1,782	6,808	4,623	671	422	406	21
7	Other payables	610	383	368	141	131	110	18	11
	Total liabilities (excluding net assets attributable to unitholders)	26,507	10,618	7,403	22,681	858	2,368	446	32
3	Net assets attributable to unitholders - equity	1,225,772	720,525	1,485,544	794,234	158,114	128,525	57,199	35,509

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

Booklet 4
Statements of financial position
As at 30 June 2021
(continued)

Statements of financial position	Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders 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
Assets						
Cash and cash equivalents	110	30	2,029	1,411	483	1,411
Financial assets at fair value through profit or loss	119,642	63,853	62,642	33,356	1,056,325	531,250
Due from brokers - receivable for securities sold	-	-	-	-	-	-
Other receivables	9	12	457	245	3,755	5,035
Total assets	119,761	63,895	65,128	35,012	1,060,563	537,696
Liabilities						
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-
Due to brokers - payable for securities purchased	-	-	106	45	-	3,746
Distributions payable	2,024	847	3,350	419	25,676	8,798
Other payables	38	17	22	13	461	244
Total liabilities (excluding net assets attributable to unitholders)	2,062	864	3,478	477	26,137	12,788
Net assets attributable to unitholders - equity	117,699	63,031	61,650	34,535	1,034,426	524,908

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

Booklet 4
Statements of financial position
As at 30 June 2021
(continued)

	Notes	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
		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		956	317	915	316	932	3,568
Financial assets at fair value through profit or loss	5	227,084	117,544	369,158	248,769	20,710	42,266
Due from brokers - receivable for securities sold		-	-	-	-	-	-
Other receivables	6	4,718	384	15,395	7,562	88	122
Total assets		232,758	118,245	385,468	256,647	21,730	45,956
Liabilities							
Financial liabilities at fair value through profit or loss	5	-	-	17	-	8	657
Due to brokers - payable for securities purchased		4,073	38	13,606	6,980	2	4
Distributions payable	4	2,473	1,657	10,548	2,555	244	508
Other payables	7	54	30	130	94	10	21
Total liabilities (excluding net assets attributable to unitholders)		6,600	1,725	24,301	9,629	264	1,190
Net assets attributable to unitholders - equity	3	226,158	116,520	361,167	247,018	21,466	44,766

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

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

Statements of changes in equity	Notes	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Financials Sector ETF	
		30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000
Total equity at the beginning of the year	3	720,525	362,695	794,234	510,948	128,525	159,843	35,509	72,848
Comprehensive income for the year									
Profit/(loss) for the year		50,082	1,512	265,753	(49,734)	17,400	(18,081)	13,049	(3,250)
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the year		50,082	1,512	265,753	(49,734)	17,400	(18,081)	13,049	(3,250)
Transactions with unitholders									
Applications	3	489,600	439,010	676,228	940,186	22,966	16,470	29,380	33,819
Redemptions	3	(9,879)	(64,519)	(225,493)	(584,867)	(2,654)	(19,467)	(19,899)	(66,649)
Units issued upon reinvestment of distributions	3	730	548	2,776	1,500	808	1,311	34	311
Distributions to unitholders	3,4	(25,286)	(18,721)	(27,954)	(23,799)	(8,931)	(11,551)	(874)	(1,570)
Total transactions with unitholders		455,165	356,318	425,557	333,020	12,189	(13,237)	8,641	(34,089)
Total equity at the end of the year	3	1,225,772	720,525	1,485,544	794,234	158,114	128,525	57,199	35,509

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

Booklet 4
Statements of changes in equity
For the year ended 30 June 2021
(continued)

Statements of changes in equity	Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders 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
Total equity at the beginning of the year	63,031	32,617	34,535	30,268	524,908	300,787
Comprehensive income for the year						
Profit/(loss) for the year	17,874	1,991	14,709	(1,854)	141,071	(10,490)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss) for the year	17,874	1,991	14,709	(1,854)	141,071	(10,490)
Transactions with unitholders						
Applications	88,445	100,535	17,720	8,037	410,879	255,383
Redemptions	(48,616)	(71,036)	(1,545)	(1,058)	(17,812)	(6,751)
Units issued upon reinvestment of distributions	377	396	33	28	6,102	171
Distributions to unitholders	(3,412)	(1,472)	(3,802)	(886)	(30,722)	(14,192)
Total transactions with unitholders	36,794	28,423	12,406	6,121	368,447	234,611
Total equity at the end of the year	117,699	63,031	61,650	34,535	1,034,426	524,908

Notes

3

3

3

3

3,4

3

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

Booklet 4
Statements of changes in equity
For the year ended 30 June 2021
(continued)

Statements of changes in equity	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000
Total equity at the beginning of the year	116,520	120,269	247,018	260,842	44,766	46,225
Comprehensive income for the year						
Profit/(loss) for the year	33,717	(14,827)	81,729	(32,820)	5,426	(3,604)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss) for the year	33,717	(14,827)	81,729	(32,820)	5,426	(3,604)
Transactions with unitholders						
Applications	79,691	54,464	78,231	77,740	3,084	6,387
Redemptions	-	(39,756)	(31,650)	(50,316)	(31,038)	(2,974)
Units issued upon reinvestment of distributions	196	231	388	985	21	195
Distributions to unitholders	(3,966)	(3,861)	(14,549)	(9,413)	(793)	(1,463)
Total transactions with unitholders	75,921	11,078	32,420	18,996	(28,726)	2,145
Total equity at the end of the year	226,158	116,520	361,167	247,018	21,466	44,766

Notes

3

3

3

3

3,4

3

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

Statements of cash flows
For the year ended 30 June 2021

Statements of cash flows	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Financials Sector ETF	
	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000
Cash flows from operating activities								
Proceeds from sale of financial instruments at fair value through profit or loss	372,384	220,785	277,125	624,432	475,096	594,623	21,500	68,852
Payments for purchase of financial instruments at fair value through profit or loss	(829,346)	(575,941)	(747,647)	(981,655)	(499,790)	(586,131)	(31,050)	(36,336)
Dividends/distributions received	81	164	28,296	25,711	8,794	13,605	989	1,765
Interest received	33	128	-	-	-	15	-	-
Income on convertible instruments	24,686	18,871	-	-	-	-	-	-
Other operating income received	50	111	-	17	-	-	-	-
Management fees paid	(4,164)	(2,513)	(516)	(419)	(850)	(1,001)	(126)	(128)
Expense recoveries paid	(931)	(562)	-	-	(293)	(318)	-	-
Transaction costs paid	(226)	(199)	(8)	(16)	(4)	(14)	-	(1)
Other operating expenses paid	(64)	(820)	(7)	(12)	(42)	(11)	(3)	(4)
Net cash inflow/(outflow) from operating activities	(437,497)	(339,976)	(442,757)	(331,942)	(17,089)	20,768	(8,690)	34,148
	8							
Cash flows from financing activities								
Proceeds from applications by unitholders	488,913	439,390	694,083	939,213	22,966	16,470	29,380	33,819
Payments for redemptions by unitholders	(9,879)	(64,519)	(225,493)	(584,867)	(2,654)	(19,467)	(19,899)	(66,649)
Distributions paid	(23,801)	(17,413)	(22,993)	(22,870)	(7,874)	(14,222)	(455)	(1,615)
Net cash inflow/(outflow) from financing activities	455,233	357,458	445,597	331,476	12,438	(17,219)	9,026	(34,445)
Net increase/(decrease) in cash and cash equivalents	17,736	17,482	2,840	(466)	(4,651)	3,549	336	(297)
Cash and cash equivalents at the beginning of the financial year	25,731	8,249	1,167	1,633	10,116	6,567	-	297
Cash and cash equivalents at the end of the financial year	43,467	25,731	4,007	1,167	5,465	10,116	336	-
Non-cash financing activities								
Units issued upon reinvestment of distributions	730	548	2,776	1,500	808	1,311	34	311

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

Statements of cash flows	Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders 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
Cash flows from operating activities						
Proceeds from sale of financial instruments at fair value through profit or loss	55,012	74,674	33,136	18,084	129,385	46,528
Payments for purchase of financial instruments at fair value through profit or loss	(96,316)	(104,266)	(48,767)	(24,894)	(532,481)	(292,986)
Dividends/distributions received	3,691	1,750	1,234	977	17,130	12,862
Interest received	-	-	1	6	-	-
Income on convertible instruments	-	-	-	-	-	-
Other operating income received	-	-	-	-	-	-
Management fees paid	(270)	(161)	(148)	(104)	(2,948)	(1,571)
Expense recoveries paid	-	-	(32)	(23)	(756)	(402)
Transaction costs paid	(2)	(1)	(8)	(7)	(42)	(4)
Other operating expenses paid	(6)	(5)	(20)	(15)	(5)	(11)
Net cash inflow/(outflow) from operating activities	(37,891)	(28,009)	(14,604)	(5,976)	(389,717)	(235,584)
	8					
Cash flows from financing activities						
Proceeds from applications by unitholders	88,445	100,535	17,605	8,020	414,343	255,535
Payments for redemptions by unitholders	(48,616)	(71,036)	(1,545)	(1,058)	(17,812)	(6,751)
Distributions paid	(1,858)	(1,502)	(838)	(793)	(7,742)	(11,812)
Net cash inflow/(outflow) from financing activities	37,971	27,997	15,222	6,169	388,789	236,972
Net increase/(decrease) in cash and cash equivalents	80	(12)	618	193	(928)	1,388
Cash and cash equivalents at the beginning of the financial year	30	42	1,411	1,218	1,411	23
Cash and cash equivalents at the end of the financial year	110	30	2,029	1,411	483	1,411
Non-cash financing activities						
Units issued upon reinvestment of distributions	377	396	33	28	6,102	171

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

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

Statements of cash flows	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000
Cash flows from operating activities						
Proceeds from sale of financial instruments at fair value through profit or loss	52,458	73,734	69,315	80,962	29,627	11,649
Payments for purchase of financial instruments at fair value through profit or loss	(128,419)	(86,579)	(111,099)	(109,956)	(4,100)	(13,341)
Dividends/distributions received	4,299	4,736	9,794	11,523	1,039	1,765
Interest received	-	-	-	-	-	3
Income on convertible instruments	-	-	-	-	-	-
Other operating income received	-	66	1	2	-	1
Management fees paid	(306)	(266)	(870)	(769)	(146)	(181)
Expense recoveries paid	(76)	(67)	(288)	(257)	(38)	(46)
Transaction costs paid	(11)	(15)	(10)	(7)	(2)	(6)
Other operating expenses paid	(18)	(21)	(11)	(17)	(26)	(13)
Net cash inflow/(outflow) from operating activities	(72,073)	(8,412)	(33,168)	(18,519)	26,354	(169)
	8					
Cash flows from financing activities						
Proceeds from applications by unitholders	75,666	54,464	71,585	83,560	3,084	6,387
Payments for redemptions by unitholders	-	(39,756)	(31,650)	(50,316)	(31,038)	(2,974)
Distributions paid	(2,954)	(6,376)	(6,168)	(15,523)	(1,036)	(1,500)
Net cash inflow/(outflow) from financing activities	72,712	8,332	33,767	17,721	(28,990)	1,913
Net increase/(decrease) in cash and cash equivalents	639	(80)	599	(798)	(2,636)	1,744
Cash and cash equivalents at the beginning of the financial year	317	397	316	1,114	3,568	1,824
Cash and cash equivalents at the end of the financial year	956	317	915	316	932	3,568
Non-cash financing activities						
Units issued upon reinvestment of distributions	196	231	388	985	21	195

Notes

8

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

Contents of the notes to the financial statements

	Page
1 General information	20
2 Summary of significant accounting policies	20
3 Net assets attributable to unitholders	27
4 Distributions to unitholders	30
5 Financial assets and liabilities at fair value through profit or loss	32
6 Other receivables	34
7 Other payables	35
8 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities	36
9 Financial risk management	37
10 Offsetting financial assets and financial liabilities	47
11 Fair value measurements	51
12 Derivative financial instruments	58
13 Auditor's remuneration	60
14 Related party transactions	61
15 Events occurring after the reporting period	67
16 Contingent assets and liabilities and commitments	67

1 General information

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

Abbreviated Fund name	Registered date	Commenced date	Financial reporting year
Active Australian Hybrids Fund	26 July 2016	13 November 2017	1 July 2020 to 30 June 2021
Australia 200 ETF	28 November 2017	7 May 2018	1 July 2020 to 30 June 2021
Australian Dividend Harvester Fund	16 June 2014	29 October 2014	1 July 2020 to 30 June 2021
Australian Financials Sector ETF	3 May 2010	10 December 2010	1 July 2020 to 30 June 2021
Australian Resources Sector ETF	3 May 2010	10 December 2010	1 July 2020 to 30 June 2021
Australian Small Companies Select Fund	26 July 2016	7 April 2017	1 July 2020 to 30 June 2021
Australian Sustainability Leaders ETF	11 September 2015	27 November 2017	1 July 2020 to 30 June 2021
Ex-20 Portfolio Diversifier ETF	26 July 2016	5 October 2016	1 July 2020 to 30 June 2021
FTSE RAFI Australia 200 ETF	22 February 2012	10 July 2013	1 July 2020 to 30 June 2021
Managed Risk Australian Share Fund	16 June 2014	10 November 2015	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 years presented unless otherwise stated.

(a) Basis of preparation

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

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

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

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

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

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

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

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

Investment entity exception

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

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

Investment entity exception (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.

2 Summary of significant accounting policies (continued)

(c) Financial instruments (continued)

(i) Classification (continued)

Active Australian Hybrids Fund holds debt securities. 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 Fund's business model objective. Consequently, the debt securities are measured at fair value through profit or loss.

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

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

- Fair value in an active market

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

- Fair value in an inactive or unquoted market

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. The Funds use a variety of methods and 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.

2 Summary of significant accounting policies (continued)

(c) Financial instruments (continued)

(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.

(v) Derivative financial instrument and hedge accounting

Australian Dividend Harvester Fund and Managed Risk Australian Share Fund use derivative instruments in the form of index futures to hedge price risk exposure in fair value movements of listed securities held. Derivatives are initially recognised at fair value with any directly attributable transaction costs recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value and changes are recognised in the statement of comprehensive income in the period in which they occur. The Fund determines that economic relationship exists between the hedged item (being listed securities) and the hedging instrument (being index futures), as the listed securities are either components of or inherently closely track the index used. The hedging ratio is determined in accordance with the Product Disclosure Statement and sources of ineffectiveness may arise when the portfolio of listed security returns differ from the total index return during the hedge period.

(d) Net assets attributable to unitholders

All Funds excluding Australian Small Companies Select Fund and Active Australian Hybrids Fund

The Schemes consider their net assets attributable to unitholders as equity as each Scheme had made an irrevocable choice to be an Attribution Managed Investment Trust ("AMIT"). Units are normally redeemable only by unitholders being Authorised Participants at the unitholders' option (other unitholders only have a right to redeem units in special circumstances). The units can be put back to the Funds at any time (subject to the Corporations Act 2001 and the Funds' Constitutions) for cash based on the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the end of the reporting year if unitholders exercised their right to redeem units in the Funds. The net assets attributable to unitholders of the Funds met the criteria set out under AASB 132 and are classified as equity since inception.

Australian Small Companies Select Fund and Active Australian Hybrids Fund

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"). Subject to market conditions, unitholders may withdraw their units from the Funds at their election by trading on the Australian Securities Exchange at the prevailing market price for sale of the units at the time of the transaction. The Responsible Entity on behalf of each Fund intends to provide liquidity to unitholders by acting as a buyer and seller of units on the exchange. At the end of each trading day, the Responsible Entity will issue or cancel units according to its net position in units bought or sold on the exchange on that day. The price at which the Responsible Entity may buy or sell units will reflect the Responsible Entity's view of the Fund's net asset value per unit. The fair value of units is measured at the net asset value per unit, which approximates fair value at the end of the reporting period if unitholders elected to withdraw units from the Funds.

(e) Cash and cash equivalents

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

2 Summary of significant accounting policies (continued)

(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).

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

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

(g) Expenses

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

(h) Income tax

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

(i) Distributions

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

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

(i) 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 year. Trades are recorded on trade date, and for equities normally settled within two 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.

2 Summary of significant accounting policies (continued)

(k) 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.

(l) Payables

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

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.

(m) 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.

(n) 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.

(o) 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 year were as follows:

	Active Australian Hybrids Fund			Australia 200 ETF		
	30 June 2021 Units '000	30 June 2020 Units '000	30 June 2021 \$'000	30 June 2020 Units '000	30 June 2021 \$'000	30 June 2020 \$'000
Net assets attributable to unitholders						
Opening balance	71,999	35,549	720,525	4,619	794,234	510,948
Applications	48,052	43,219	489,600	8,970	676,228	940,186
Redemptions	(968)	(6,824)	(9,879)	(5,550)	(225,493)	(584,867)
Units issued upon reinvestment of distributions	72	55	730	14	2,776	1,500
Distribution to unitholders	-	-	(25,286)	-	(27,954)	(23,799)
Profit/(loss) for the year	-	-	50,082	-	265,753	(49,734)
Closing balance	119,155	71,999	1,225,772	8,053	1,485,544	794,234

	Australian Dividend Harvester Fund			Australian Financials Sector ETF		
	30 June 2021 Units '000	30 June 2020 Units '000	30 June 2021 \$'000	30 June 2020 Units '000	30 June 2021 \$'000	30 June 2020 \$'000
Net assets attributable to unitholders						
Opening balance	9,778	10,090	128,525	6,268	35,509	72,848
Applications	1,700	1,100	22,966	3,600	29,380	33,819
Redemptions	(200)	(1,500)	(2,654)	(5,800)	(19,899)	(66,849)
Units issued upon reinvestment of distributions	61	88	808	27	34	311
Distribution to unitholders	-	-	(8,931)	-	(874)	(1,570)
Profit/(loss) for the year	-	-	17,400	-	13,049	(3,250)
Closing balance	11,339	9,778	158,114	4,095	57,199	35,509

3 Net assets attributable to unitholders (continued)

	Australian Resources Sector ETF			Australian Small Companies Select Fund		
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	Units '000	Units '000	\$'000	Units '000	\$'000	\$'000
Net assets attributable to unitholders						
Opening balance	10,583	4,922	63,031	11,137	34,535	30,268
Applications	12,500	17,800	88,445	4,529	17,720	8,037
Redemptions	(7,600)	(12,200)	(48,616)	(427)	(1,545)	(1,058)
Units issued upon reinvestment of distributions	62	61	377	10	33	28
Distribution to unitholders	-	-	(3,412)	-	(3,802)	(886)
Profit/(loss) for the year	-	-	17,874	-	14,709	(1,854)
Closing balance	15,545	10,583	117,699	15,249	61,650	34,535
	Australian Sustainability Leaders ETF			Ex-20 Portfolio Diversifier ETF		
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	Units '000	Units '000	\$'000	Units '000	\$'000	\$'000
Net assets attributable to unitholders						
Opening balance	30,812	17,002	524,908	7,122	116,520	120,269
Applications	23,000	14,200	410,879	4,200	79,691	54,464
Redemptions	(1,000)	(400)	(17,812)	-	-	(39,756)
Units issued upon reinvestment of distributions	351	10	6,102	11	196	231
Distribution to unitholders	-	-	(30,722)	-	(3,966)	(3,861)
Profit/(loss) for the year	-	-	141,071	-	33,717	(14,827)
Closing balance	53,163	30,812	1,034,426	11,333	226,158	116,520

3 Net assets attributable to unitholders (continued)

	FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
	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	21,244	19,072	247,018	260,842
Applications	5,700	6,000	78,231	77,740
Redemptions	(2,400)	(3,900)	(31,650)	(50,316)
Units issued upon reinvestment of distributions	31	72	388	985
Distribution to unitholders	-	-	(14,549)	(9,413)
Profit/(loss) for the year	-	-	81,729	(32,820)
Closing balance	24,575	21,244	361,167	247,018
			1,235	2,934
				44,766
				3,084
				(31,038)
				21
				(793)
				5,426
				21,466
				44,766

Capital risk management

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

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

4 Distributions to unitholders

The distributions for the year were as follows:

	Active Australian Hybrids Fund			Australia 200 ETF ¹		
	30 June 2021	30 June 2020	30 June 2021	30 June 2021	30 June 2020	30 June 2020
	\$'000	\$'000	\$'000	CPU	\$'000	CPU
Distributions paid - July	1,726	1,168	-	-	-	-
Distributions paid - August	1,848	1,261	-	-	-	-
Distributions paid - September	1,844	1,345	5,591	68.01	8,782	136.83
Distributions paid - October	1,865	1,381	-	-	-	-
Distributions paid - November	2,015	1,455	-	-	-	-
Distributions paid - December	2,110	1,778	6,258	62.40	7,333	114.14
Distributions paid - January	1,964	1,783	-	-	-	-
Distributions paid - February	2,010	1,641	-	-	-	-
Distributions paid - March	2,498	1,801	9,297	89.17	3,061	42.40
Distributions paid - April	2,366	1,680	-	-	-	-
Distributions paid - May	2,503	1,646	-	-	-	-
Distributions payable - June	2,537	1,782	6,808	56.55	4,623	57.41
Total distributions	25,286	18,721	27,954	276.13	23,799	350.78

¹ BetaShares Australia 200 ETF is a quarterly distributing fund.

4 Distributions to unitholders (continued)

	FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund		Australian Sector ETF			
	30 June 2021 \$'000	30 June 2020 CPU	30 June 2021 \$'000	30 June 2020 CPU	30 June 2021 \$'000	30 June 2020 CPU		
Distributions paid - December	4,001	16.91	6,858	32.33	549	22.56	955	33.79
Distributions payable - June	10,548	42.92	2,555	12.03	244	19.79	508	17.33
Total distributions	14,549	59.83	9,413	44.36	793	42.35	1,463	51.12

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

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

	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Financials Sector ETF	
	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 CPU	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000
Financial assets at fair value through profit or loss								
Futures contracts	-	-	-	58	-	-	-	-
Listed securities	9,002	20,491	1,483,158	795,674	152,188	119,637	56,858	35,486
Unlisted securities	-	-	-	67	-	-	-	-
Listed & unlisted hybrid and debt securities	1,194,973	681,323	-	-	-	-	-	-
Total financial assets at fair value through profit or loss	1,203,975	701,814	1,483,158	795,799	152,188	119,637	56,858	35,486

Financial liabilities at fair value through profit or loss								
Futures contracts	-	-	37	-	56	1,836	22	-
Total financial liabilities at fair value through profit or loss	-	-	37	-	56	1,836	22	-

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

	Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Financial assets at fair value through profit or loss						
Futures contracts	-	-	-	-	6	9
Listed securities	119,642	63,853	62,642	33,306	1,056,319	530,995
Unlisted securities	-	-	-	50	-	246
Total financial assets at fair value through profit or loss	119,642	63,853	62,642	33,356	1,056,325	531,250
	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Financial assets at fair value through profit or loss						
Futures contracts	4	5	-	16	-	-
Listed securities	227,080	117,514	369,158	248,706	20,710	42,262
Unlisted securities	-	25	-	47	-	4
Total financial assets at fair value through profit or loss	227,084	117,544	369,158	248,769	20,710	42,266
Financial liabilities at fair value through profit or loss						
Futures contracts	-	-	17	-	8	657
Total financial liabilities at fair value through profit or loss	-	-	17	-	8	657

6 Other receivables

	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Financials Sector ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Applications receivable	3,814	3,127	-	17,855	-	-	-	-
Dividends/Distributions receivable	-	-	5,761	2,083	1,279	1,113	447	53
Income on convertible instruments	622	334	-	-	-	-	-	-
Interest receivable	2	5	-	-	-	-	-	-
GST receivable	152	132	21	11	31	27	4	2
Other receivables	4	-	-	-	9	-	-	-
Total other receivables	4,594	3,598	5,782	19,949	1,319	1,140	451	55

	Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders 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	-	-	219	104	-	3,464
Dividends/Distributions receivable	-	8	232	137	3,646	1,516
GST receivable	9	4	6	4	109	55
Total other receivables	9	12	457	245	3,755	5,035

	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
	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	4,025	-	13,591	6,945	-	-
Dividends/Distributions receivable	681	376	1,773	596	85	116
GST receivable	12	8	31	21	3	6
Total other receivables	4,718	384	15,395	7,562	88	122

7 Other payables

	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Financials Sector ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Management fees payable	474	294	89	50	90	79	17	10
Expense recoveries payable	105	66	-	-	35	25	-	-
Withholding tax payable	28	21	-	-	-	-	-	-
Other payables	3	2	279	91	6	6	1	1
Total other payables	610	383	368	141	131	110	18	11

Management fees payable
Expense recoveries payable
Other payables
Total other payables

	Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders 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
Management fees payable	37	16	17	10	355	190
Expense recoveries payable	-	-	4	2	91	49
Other payables	1	1	1	1	15	5
Total other payables	38	17	22	13	461	244

Management fees payable
Expense recoveries payable
Other payables
Total other payables

	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Management fees payable	39	22	94	67	8	17
Expense recoveries payable	10	5	31	22	2	4
Other payables	5	3	5	5	-	-
Total other payables	54	30	130	94	10	21

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

	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Financials Sector ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities								
Profit/(loss)	50,082	1,512	265,753	(49,734)	17,400	(18,081)	13,049	(3,250)
Proceeds from sale of financial instruments at fair value through profit or loss	372,384	220,785	277,125	624,432	475,096	594,623	21,500	68,852
Payments for the purchase of financial instruments at fair value through profit or loss	(829,346)	(575,941)	(747,647)	(981,655)	(499,790)	(586,131)	(31,050)	(36,336)
Net (gains)/losses on financial instruments at fair value through profit or loss	(30,535)	13,389	(234,527)	73,972	(9,637)	30,242	(11,800)	4,646
Net change in dividends/distributions receivable	-	-	(3,678)	988	(166)	113	(394)	246
Net change in interest receivable	3	2	-	-	-	6	-	-
Net change in income receivable on convertible instruments	(288)	132	-	-	-	-	-	-
Net change in receivables and other assets	(24)	(52)	(10)	(15)	(13)	4	(2)	1
Net change in payables and other liabilities	227	197	227	70	21	(8)	7	(11)
Net cash inflow/(outflow) from operating activities	(437,497)	(339,976)	(442,757)	(331,942)	(17,089)	20,768	(8,690)	34,148

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

	Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders 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
Profit/(loss)	17,874	1,991	14,709	(1,854)	141,071	(10,490)
Proceeds from sale of financial instruments at fair value through profit or loss	55,012	74,674	33,136	18,084	129,385	46,528
Payments for the purchase of financial instruments at fair value through profit or loss	(96,316)	(104,266)	(48,767)	(24,894)	(532,481)	(292,986)
Net (gains)/losses on financial instruments at fair value through profit or loss	(14,485)	(406)	(13,594)	2,756	(125,725)	21,367
Net change in dividends/distributions receivable	8	(8)	(95)	(71)	(2,130)	(102)
Net change in interest receivable	-	-	-	1	-	-
Net change in receivables and other assets	(5)	(1)	(2)	(1)	(54)	(25)
Net change in payables and other liabilities	21	7	9	3	217	124
Net cash inflow/(outflow) from operating activities	(37,891)	(28,009)	(14,604)	(5,976)	(389,717)	(235,584)

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

	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000	30 June 2021 \$'000	30 June 2020 \$'000
Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities						
Profit/(loss)	33,717	(14,827)	81,729	(32,820)	5,426	(3,604)
Proceeds from sale of financial instruments at fair value through profit or loss	52,458	73,734	69,315	80,962	29,627	11,649
Payments for the purchase of financial instruments at fair value through profit or loss	(128,419)	(86,579)	(111,099)	(109,956)	(4,100)	(13,341)
Net (gains)/losses on financial instruments at fair value through profit or loss	(29,544)	19,178	(71,962)	42,297	(4,622)	5,003
Net change in dividends/distributions receivable	(305)	140	(1,177)	987	31	121
Net change in interest receivable	-	-	-	-	-	2
Net change in receivables and other assets	(4)	(61)	(10)	1	3	(2)
Net change in payables and other liabilities	24	3	36	10	(11)	3
Net cash inflow/(outflow) from operating activities	(72,073)	(8,412)	(33,168)	(18,519)	26,354	(169)

9 Financial risk management

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

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

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

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

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

9 Financial risk management (continued)

(a) Market risk

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

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

(i) Price risk

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

The Active Australian Hybrids Fund holds cash (including cash denominated in currencies other than the Australian dollar), interest bearing and equity securities (including preference shares). These investments have exposure to interest rate risk and credit risk.

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

Sensitivity analysis

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

	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Financials Sector ETF	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
+10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	120,398	70,181	148,312	79,580	13,617	5,576	5,684	3,549
-10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	(120,398)	(70,181)	(148,312)	(79,580)	(13,617)	(5,588)	(5,684)	(3,549)

9 Financial risk management (continued)

(a) Market risk (continued)

(i) Price risk (continued)

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

	Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders 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
	11,964	6,385	6,264	3,336	105,633	53,125
	(11,964)	(6,385)	(6,264)	(3,336)	(105,633)	(53,125)
	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	22,708	11,754	36,914	24,877	1,849	1,933
	(22,708)	(11,754)	(36,914)	(24,877)	(1,849)	(1,948)

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

(ii) Interest rate risk

Active Australian Hybrids Fund

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market 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 rate expose Funds to cash flow interest rate risk. Financial instruments with fixed interest rates expose the Fund to fair value interest rate risk. This risk is measured using sensitivity analysis.

Interest rate risk is not considered to be significant to the Funds, except for Active Australian Hybrids Fund (see below), other than cash holdings.

9 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

The table below summarises the Fund's exposure to interest rate risks.

Active Australian Hybrids Fund	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 2020	30 June 2020	30 June 2020	30 June 2020	30 June 2020	30 June 2020	30 June 2020	30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets																
Cash and cash equivalents	43,467	-	-	-	43,467	-	-	43,467	25,731	-	-	-	-	25,731	-	25,731
Financial assets at fair value through profit or loss	14,986	-	-	1,188,989	1,203,975	-	-	1,203,975	27,518	-	-	-	-	27,518	-	701,814
Due from brokers - receivable for securities sold	-	-	243	-	243	-	-	243	-	-	-	-	-	-	-	-
Other receivables	-	-	-	4,594	4,594	-	-	4,594	-	-	-	-	-	-	3,598	3,598
Liabilities																
Due to brokers - payable for securities purchased	-	-	-	(23,360)	(23,360)	-	-	(23,360)	-	-	-	-	-	-	(8,453)	(8,453)
Distributions payable	-	-	-	(2,537)	(2,537)	-	-	(2,537)	-	-	-	-	-	-	(1,782)	(1,782)
Other payables	-	-	-	(610)	(610)	-	-	(610)	-	-	-	-	-	-	(383)	(383)
Net exposure	58,453	-	-	1,167,319	1,225,772	-	-	1,225,772	53,249	-	-	-	-	667,276	-	720,525

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 year 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 Fund's economic environment.

Active Australian Hybrids Fund (\$'000)	Impact on net assets attributable to unitholders			
	Currency	Sensitivity rate (basis points)	Increase 30 June 2021	Decrease 30 June 2021
			138	(138)
	Australian Dollars	25	64	(64)

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

Foreign exchange risk arises as the value of monetary assets and liabilities denominated in other currencies will fluctuate due to changes in exchange rates. The Funds have no direct foreign exchange risk exposure as the Funds operate solely in Australia and all of the Funds' assets and liabilities are denominated in Australian currency.

9 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 being bank issued senior floating rate notes. An analysis of debt securities by rating of the issuer is set out in the table below for Funds which have such securities.

	Active Australian Hybrids Fund	
	30 June 2021	30 June 2020
	\$'000	\$'000
Rating		
BBB+ to BBB-	14,986	27,518
Total	14,986	27,518

(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 of 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.

9 Financial risk management (continued)

(c) Liquidity risk (continued)

	Australia 200 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
	Due to brokers - payable for securities purchased	-	190	-	190	-	17,917	-
Distributions payable	-	6,808	-	6,808	-	4,623	-	4,623
Other payables	-	368	-	368	-	141	-	141
Contractual cash flows (excluding net settled derivatives)	-	7,366	-	7,366	-	22,681	-	22,681

Net settled derivatives

Futures contracts	-	37	-	37	-	-	-	-
	-	37	-	37	-	-	-	-

Australian Dividend Harvester Fund

	Australian Dividend Harvester Fund							
	On demand 30 June 2021 \$'000	Less than 6 months 30 June 2021 \$'000	Greater than 6 months 30 June 2021 \$'000	Total 30 June 2021 \$'000	On demand 30 June 2020 \$'000	Less than 6 months 30 June 2020 \$'000	Greater than 6 months 30 June 2020 \$'000	Total 30 June 2020 \$'000
	Distributions payable	-	671	-	671	-	422	-
Other payables	-	131	-	131	-	110	-	110
Contractual cash flows (excluding net settled derivatives)	-	802	-	802	-	532	-	532

Net settled derivatives

Futures contracts	-	56	-	56	-	1,836	-	1,836
	-	56	-	56	-	1,836	-	1,836

9 Financial risk management (continued)

(c) Liquidity risk (continued)

	Australian Financials Sector 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	-	406	-	406	-	21	-	21
Other payables	-	18	-	18	-	11	-	11
Contractual cash flows (excluding net settled derivatives)	-	424	-	424	-	32	-	32
Net settled derivatives	-	22	-	22	-	-	-	-
Futures contracts	-	22	-	22	-	-	-	-

Net settled derivatives

Futures contracts

	Australian Resources Sector 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	-	2,024	-	2,024	-	847	-	847
Other payables	-	38	-	38	-	17	-	17
Contractual cash flows (excluding net settled derivatives)	-	2,062	-	2,062	-	864	-	864

Distributions payable

Other payables

Contractual cash flows (excluding net settled derivatives)

	Australian Small Companies Select Fund							
	On demand 30 June 2021 \$'000	Less than 6 months 30 June 2021 \$'000	Greater than 6 months 30 June 2021 \$'000	Total 30 June 2021 \$'000	On demand 30 June 2020 \$'000	Less than 6 months 30 June 2020 \$'000	Greater than 6 months 30 June 2020 \$'000	Total 30 June 2020 \$'000
Due to brokers - payable for securities purchased	-	106	-	106	-	45	-	45
Distributions payable	-	3,350	-	3,350	-	419	-	419
Other payables	-	22	-	22	-	13	-	13
Contractual cash flows (excluding net settled derivatives)	-	3,478	-	3,478	-	477	-	477

Due to brokers - payable for securities purchased

Distributions payable

Other payables

Contractual cash flows (excluding net settled derivatives)

9 Financial risk management (continued)

(c) Liquidity risk (continued)

FTSE RAFI Australia 200 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	
Due to brokers - payable for securities purchased	-	13,606	-	13,606	-	6,980	-	6,980	
Distributions payable	-	10,548	-	10,548	-	2,555	-	2,555	
Other payables	-	130	-	130	-	94	-	94	
Contractual cash flows (excluding net settled derivatives)	-	24,284	-	24,284	-	9,629	-	9,629	

Net settled derivatives

Futures contracts

	-	17	-	17	-	-	-	-	
	-	17	-	17	-	-	-	-	

Managed Risk Australian Share Fund

	On demand 30 June 2021 \$'000	Less than 6 months 30 June 2021 \$'000	Greater than 6 months 30 June 2021 \$'000	Total 30 June 2021 \$'000	On demand 30 June 2020 \$'000	Less than 6 months 30 June 2020 \$'000	Greater than 6 months 30 June 2020 \$'000	Total 30 June 2020 \$'000	
Due to brokers - payable for securities purchased	-	2	-	2	-	4	-	4	
Distributions payable	-	244	-	244	-	508	-	508	
Other payables	-	10	-	10	-	21	-	21	
Contractual cash flows (excluding net settled derivatives)	-	256	-	256	-	533	-	533	

Net settled derivatives

Futures contracts

	-	8	-	8	-	657	-	657	
	-	8	-	8	-	657	-	657	

10 Offsetting financial assets and financial liabilities

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

	Effects of offsetting on the statements of financial position			Related amounts not offset in the statements of financial position		
	Gross amounts of financial assets/(liabilities)	Gross amounts set off in the statements of financial position	Net amount of financial assets/(liabilities) presented in the statements of financial position	Financial instruments (including non-cash collateral)	Stock and cash collateral pledged	Net amounts
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australia 200 ETF						
As at 30 June 2021						
Financial liabilities	37	-	37	-	-	37
Futures contracts	37	-	37	-	-	37
As at 30 June 2020						
Financial assets	58	-	58	-	-	58
Futures contracts	58	-	58	-	-	58
Total						

10 Offsetting financial assets and financial liabilities (continued)

	Effects of offsetting on the statements of financial position			Related amounts not offset in the statements of financial position		
	Gross amounts of financial assets/(liabilities)	Gross amounts set off in the statements of financial position	Net amount of financial assets/(liabilities) presented in the statements of financial position	Financial instruments (including non-cash collateral)	Stock and cash collateral pledged	Net amounts
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Dividend Harvester Fund						
As at 30 June 2021						
Financial liabilities						
Futures contracts	56	-	56	-	-	56
Total	56	-	56	-	-	56
As at 30 June 2020						
Financial liabilities	1,836	-	1,836	-	-	1,836
Futures contracts	1,836	-	1,836	-	-	1,836
Total	1,836	-	1,836	-	-	1,836
Australian Financials Sector ETF						
As at 30 June 2021						
Financial liabilities						
Futures contracts	22	-	22	-	-	22
Total	22	-	22	-	-	22

10 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)	
	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Sustainability Leaders ETF					
As at 30 June 2021					
Financial assets	6	-	6	-	6
Futures contracts	6	-	6	-	6
Total					
As at 30 June 2020	9	-	9	-	9
Financial assets	9	-	9	-	9
Futures contracts					
Total					

	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)	
	\$'000	\$'000	\$'000	\$'000	\$'000
Ex-20 Portfolio Diversifier ETF					
As at 30 June 2021					
Financial assets	4	-	4	-	4
Futures contracts	4	-	4	-	4
Total					
As at 30 June 2020	5	-	5	-	5
Financial assets	5	-	5	-	5
Futures contracts					
Total					

10 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)	
	\$'000	\$'000	\$'000	\$'000	\$'000
FTSE RAFI Australia 200 ETF					
As at 30 June 2021					
Financial liabilities					
Futures contracts	17	-	17	-	-
Total	17	-	17	-	-
As at 30 June 2020					
Financial assets	16	-	16	-	-
Futures contracts	16	-	16	-	-
Total	16	-	16	-	-
Managed Risk Australian Share Fund					
As at 30 June 2021					
Financial liabilities					
Futures contracts	8	-	8	-	-
Total	8	-	8	-	-
As at 30 June 2020					
Financial liabilities	657	-	657	-	-
Futures contracts	657	-	657	-	-
Total	657	-	657	-	-

11 Fair value measurements

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

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

Fair value estimation

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

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

(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.

11 Fair value measurements (continued)

Fair value estimation (continued)

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

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

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

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

(iii) *Recognised fair value measurements*

The tables below set out the Funds' financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy:

	Active Australian Hybrids Fund						
	Level 1 30 June 2021 \$'000	Level 2 30 June 2021 \$'000	Level 3 30 June 2021 \$'000	Total 30 June 2021 \$'000	Level 2 30 June 2020 \$'000	Level 3 30 June 2020 \$'000	Total 30 June 2020 \$'000
Financial assets							
Financial assets at fair value through profit or loss:							
Listed securities	9,002	-	-	9,002	-	-	20,491
Listed & unlisted hybrid and debt securities	1,182,924	12,049	-	1,194,973	14,762	-	681,323
Total	1,191,926	12,049	-	1,203,975	14,762	-	701,814

11 Fair value measurements (continued)

Fair value estimation (continued)

(iii) Recognised fair value measurements (continued)

	Australia 200 ETF				
	Level 1 30 June 2021 \$'000	Level 2 30 June 2021 \$'000	Level 3 30 June 2021 \$'000	Total 30 June 2021 \$'000	Total 30 June 2020 \$'000
Financial assets					
Financial assets at fair value through profit or loss:					
Futures contracts	-	-	-	-	58
Listed securities	1,483,158	-	-	1,483,158	795,674
Unlisted securities	-	-	-	-	67
Total	1,483,158	-	-	1,483,158	795,799

Financial liabilities

Financial liabilities at fair value through profit or loss:

Futures contracts	37	-	-	37	-
Total	37	-	-	37	-

Australian Dividend Harvester Fund

	Australian Dividend Harvester Fund				
	Level 1 30 June 2021 \$'000	Level 2 30 June 2021 \$'000	Level 3 30 June 2021 \$'000	Total 30 June 2021 \$'000	Total 30 June 2020 \$'000
Financial assets					
Financial assets at fair value through profit or loss:					
Listed securities	152,188	-	-	152,188	119,637
Total	152,188	-	-	152,188	119,637

Financial liabilities

Financial liabilities at fair value through profit or loss:

Futures contracts	56	-	-	56	1,836
Total	56	-	-	56	1,836

11 Fair value measurements (continued)

Fair value estimation (continued)

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

	Australian Financials Sector ETF					
	Level 1	Level 2	Level 3	Total	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
Financial assets						
Financial assets at fair value through profit or loss:						
Listed securities	56,858	-	-	56,858	-	-
Total	56,858	-	-	56,858	-	35,486
	22	-	-	22	-	-
Total	22	-	-	22	-	-

Financial liabilities

Financial liabilities at fair value through profit or loss:

Futures contracts

Total

	Australian Resources Sector ETF					
	Level 1	Level 2	Level 3	Total	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
Financial assets						
Financial assets at fair value through profit or loss:						
Listed securities	119,642	-	-	119,642	-	-
Total	119,642	-	-	119,642	-	63,853
	22	-	-	22	-	-
Total	22	-	-	22	-	-

Financial assets

Financial assets at fair value through profit or loss:

Listed securities

Total

	Australian Small Companies Select Fund					
	Level 1	Level 2	Level 3	Total	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
Financial assets						
Financial assets at fair value through profit or loss:						
Listed securities	62,642	-	-	62,642	-	-
Unlisted securities	-	-	-	-	50	50
Total	62,642	-	-	62,642	-	33,356
	62,642	-	-	62,642	-	-
Total	62,642	-	-	62,642	-	33,356

11 Fair value measurements (continued)

Fair value estimation (continued)

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

	Australian Sustainability Leaders ETF							
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	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	30 June 2020 \$'000
Financial assets								
Financial assets at fair value through profit or loss:								
Futures contracts	6	-	-	6	9	-	-	9
Listed securities	1,056,170	-	149	1,056,319	530,995	-	-	530,995
Unlisted securities	-	-	-	-	246	-	-	246
Total	1,056,176	-	149	1,056,325	531,250	-	-	531,250

Ex-20 Portfolio Diversifier ETF

	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	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	30 June 2020 \$'000
	Financial assets							
Financial assets at fair value through profit or loss:								
Futures contracts	4	-	-	4	5	-	-	5
Listed securities	227,080	-	-	227,080	117,514	-	-	117,514
Unlisted securities	-	-	-	-	25	-	-	25
Total	227,084	-	-	227,084	117,544	-	-	117,544

11 Fair value measurements (continued)

Fair value estimation (continued)

(iii) Recognised fair value measurements (continued)

	FTSE RAFI Australia 200 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:							
Futures contracts	-	-	-	-	16	-	-
Listed securities	369,139	-	19	369,158	248,687	-	19
Unlisted securities	-	-	-	-	47	-	-
Total	369,139	-	19	369,158	248,750	-	19

Financial liabilities

Financial liabilities at fair value through profit or loss:

Futures contracts	17	-	-	17	-	-	-
Total	17	-	-	17	-	-	-

Managed Risk Australian Share Fund

	Managed Risk Australian Share Fund						
	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:							
Listed securities	20,710	-	-	20,710	42,262	-	-
Unlisted securities	-	-	-	-	4	-	-
Total	20,710	-	-	20,710	42,266	-	-

Financial liabilities

Financial liabilities at fair value through profit or loss:

Futures contracts	8	-	-	8	657	-	-
Total	8	-	-	8	657	-	657

11 Fair value measurements (continued)

Fair value estimation (continued)

(iv) Transfers between levels

The Funds listed below had transfers between levels during the year ended 30 June 2021 and 30 June 2020.

	Level 1 30 June 2021 \$'000	Level 2 30 June 2021 \$'000	Level 3 30 June 2021 \$'000	Level 1 30 June 2020 \$'000	Level 2 30 June 2020 \$'000	Level 3 30 June 2020 \$'000
Australian Sustainability Leaders ETF						
Transfers between levels 1 and 3:						
Listed securities	(152)	-	152	-	-	-
FTSE RAFI Australia 200 ETF						
Transfers between levels 1 and 3:						
Listed securities	-	-	-	(81)	-	81

(v) Movement in level 3 instruments

The following table presents the Funds that had movement in level 3 instruments for the year ended 30 June 2021 and 30 June 2020 by class of financial instrument:

	Listed securities		Listed securities	
	Australian Sustainability Leaders ETF	30 June 2020 \$'000	FTSE RAFI Australia 200 ETF	30 June 2020 \$'000
Opening balance	-	-	19	19
Purchases	29	-	-	4
Sales	-	-	-	(169)
Transfers into/(out) from level 3	152	-	-	81
Gains/(losses) recognised in profit or loss	(32)	-	-	84
Closing balance	149	-	19	19
Total gains/(losses) for the year included in the statements of comprehensive income for financial assets and liabilities held at the end of the year	(32)	-	-	84

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

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

12 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:

Futures Contracts

Futures are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities. Changes in futures contracts' values are usually settled net daily with the exchange.

The following Funds held derivative instruments (amounts in positive indicates long/buy and amounts in negative indicates short/sell):

	Australia 200 ETF						Australian Dividend Harvester Fund					
	Fair values			Fair values			Fair values			Fair values		
	Contract/ notional 30 June 2021 \$'000	Assets 30 June 2021 \$'000	Liabilities 30 June 2021 \$'000	Contract/ notional 30 June 2021 \$'000	Assets 30 June 2020 \$'000	Liabilities 30 June 2020 \$'000	Contract/ notional 30 June 2020 \$'000	Assets 30 June 2020 \$'000	Liabilities 30 June 2020 \$'000	Contract/ notional 30 June 2020 \$'000	Assets 30 June 2020 \$'000	Liabilities 30 June 2020 \$'000
	9,029	-	37	3,093	58	-	(16,071)	-	(56)	(64,076)	-	1,836
Futures contracts	9,029	-	37	3,093	58	-	(16,071)	-	(56)	(64,076)	-	1,836

12 Derivative financial instruments (continued)

		Australian Financials Sector ETF				Australian Sustainability Leaders ETF			
		Fair values		Contract/		Fair values		Contract/	
	notional	Assets	Liabilities	notional	Assets	Liabilities	notional	Assets	Liabilities
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2021	2021	2021	2020	2020	2020	2020	2020	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Futures contracts	719	-	22	-	-	-	3,612	6	2,357
	719	-	22	-	-	-	3,612	6	2,357

		Ex-20 Portfolio Diversifier ETF				FTSE RAFI Australia 200 ETF			
		Fair values		Contract/		Fair values		Contract/	
	notional	Assets	Liabilities	notional	Assets	Liabilities	notional	Assets	Liabilities
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2021	2021	2021	2020	2020	2020	2020	2020	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Futures contracts	1,445	4	-	589	5	-	2,347	-	737
	1,445	4	-	589	5	-	2,347	-	737

		Managed Risk Australian Share Fund			
		Fair values		Contract/	
	notional	Assets	Liabilities	notional	Liabilities
	30 June	30 June	30 June	30 June	30 June
	2021	2021	2021	2020	2020
	\$'000	\$'000	\$'000	\$'000	\$'000
Futures contracts	(1,986)	-	8	(19,691)	657
	(1,986)	-	8	(19,691)	657

13 Auditor's remuneration

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

KPMG	<i>Audit and other assurance service</i>	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Financials Sector 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
		\$	\$	\$	\$	\$	\$	\$	\$
		7,529	4,982	4,982	7,529	4,982	4,982	4,982	4,982
		1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230
		8,759	6,212	6,212	8,759	6,212	6,212	6,212	6,212
		Total remuneration of audit and other assurance services							
KPMG	<i>Audit and other assurance service</i>	Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders 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
		\$	\$	\$	\$	\$	\$	\$	\$
		4,982	4,982	4,982	4,982	4,982	4,982	4,982	4,982
		1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230
		6,212	6,212	6,212	6,212	6,212	6,212	6,212	6,212
		Total remuneration of audit and other assurance services							
KPMG	<i>Audit and other assurance service</i>	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund			
		30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
		\$	\$	\$	\$	\$	\$	\$	\$
		4,982	4,982	4,982	4,982	4,982	4,982	4,982	4,982
		1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230
		6,212	6,212	6,212	6,212	6,212	6,212	6,212	6,212
		Total remuneration of audit and other assurance services							

14 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 year are:

(a) Directors

Executive Directors:

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

Non-Executive Directors:

Mr 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 year.

Responsible Entity's management fees and other transactions

The Responsible Entity's fees are calculated in accordance with the Funds' Constitutions. The Responsible Entity's fees comprise a management fee and (if applicable) expense recoveries (after taking account of GST and reduced input tax credits), which are calculated as a percentage of the net asset value of the Funds and are disclosed in the statements of comprehensive income. A performance fee may be payable by certain Funds. The fee is calculated based on the relevant Fund's performance relative to its benchmark. The fee is calculated and accrued each business day. Provided the relevant Fund outperforms the benchmark for a performance fee period (quarter ending 31 March, 30 June, 30 September and 31 December), a performance fee may be payable.

The following table discloses the Responsible Entity's fees for 30 June 2021 and 30 June 2020:

Funds	Management Fee		Expense Recoveries		Performance Fee	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	%	%	%	%	%	%
Active Australian Hybrids Fund	0.45	0.45	0.10	0.10	15.50	15.50
Australia 200 ETF	0.07	0.07	-	-	-	-
Australian Dividend Harvester Fund	0.65	0.65	0.25	0.25	-	-
Australian Financials Sector ETF	0.34	0.34	-	-	-	-

14 Related party transactions (continued)

Responsible Entity's management fees and other transactions (continued)

Funds	Management Fee		Expense Recoveries		Performance Fee	
	30 June 2021 %	30 June 2020 %	30 June 2021 %	30 June 2020 %	30 June 2021 %	30 June 2020 %
Australian Resources Sector ETF	0.34	0.34	-	-	-	-
Australian Small Companies Select Fund	0.32	0.32	0.07	0.07	15.50	15.50
Australian Sustainability Leaders ETF	0.39	0.39	0.10	0.10	-	-
Ex-20 Portfolio Diversifier ETF	0.20	0.20	0.05	0.05	-	-
FTSE RAFI Australia 200 ETF	0.30	0.30	0.10	0.10	-	-
Managed Risk Australian Share Fund	0.39	0.39	0.10	0.10	-	-

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

	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Financials Sector 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
Management fees expensed to the Responsible Entity at reporting date	4,293,115	2,673,609	732,651	485,981	858,111	997,704	129,852	118,671
Management fees payable to the Responsible Entity at reporting date	473,601	294,426	89,407	50,460	89,946	78,733	17,372	9,752
Expense recoveries expensed to the Responsible Entity at reporting date	960,373	597,880	-	-	300,286	318,046	-	-
Expense recoveries payable to the Responsible Entity at reporting date	105,245	65,428	-	-	34,594	25,437	-	-
Management fees rebate received from the Responsible Entity at reporting date	25,103	16,851	-	-	7,303	-	-	-
Management fees rebate receivable from the Responsible Entity at reporting date	3,462	2,728	-	-	8,716	-	-	-

14 Related party transactions (continued)

Related party unitholdings

The table below provides details in relation to the investments held by certain Funds in related parties for the relevant financial year:

Active Australian Hybrids Fund

2021	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 (\$)
Unitholder							
BetaShares Capital Ltd	100,000	100,000	1,032,000	0.08	-	-	26,253
Total	100,000	100,000	1,032,000	0.08	-	-	26,253

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	100,000	100,000	1,004,000	0.14	-	-	30,883
Total	100,000	100,000	1,004,000	0.14	-	-	30,883

14 Related party transactions (continued)

Related party unitholdings (continued)

Australian Resources Sector ETF

2021	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 (\$)
Unitholder	56,663	-	-	-	34,126	90,789	4,535
AMP Capital Dynamic Markets Fund (Hedge Fund)	56,663	-	-	-	34,126	90,789	4,535
Total							

2020	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 (\$)
Unitholder	-	56,663	338,845	0.54	344,425	287,762	10,612
AMP Capital Dynamic Markets Fund (Hedge Fund)	-	56,663	338,845	0.54	344,425	287,762	10,612
Total							

Australian High Interest Cash ETF

2021	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 (\$)
Unitholder	409,000	179,713	9,001,824	0.42	660,966	890,253	80,879
BetaShares Active Australian Hybrids Fund	409,000	179,713	9,001,824	0.42	660,966	890,253	80,879
Total							

2020	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 (\$)
Unitholder	270,406	409,000	20,490,900	1.04	842,135	703,541	163,830
BetaShares Active Australian Hybrids Fund	270,406	409,000	20,490,900	1.04	842,135	703,541	163,830
Total							

14 Related party transactions (continued)

Related party unitholdings (continued)

Australian Sustainability Leaders ETF

2021	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 (\$)
Unitholder							
BetaShares Ethical Diversified Balanced ETF (formerly known as BetaShares Diversified Balanced ETF)	-	69,309	1,348,642	0.13	69,309	-	38,108
BetaShares Ethical Diversified Growth ETF (formerly known as BetaShares Diversified Growth ETF)	-	99,725	1,940,489	0.19	118,701	18,976	54,656
BetaShares Ethical Diversified High Growth ETF (formerly known as BetaShares Diversified Conservative Income ETF)	-	149,449	2,908,038	0.28	197,831	48,382	80,277
Total	-	318,483	6,197,169	0.60	385,841	67,358	173,041

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.

15 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 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.

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

16 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 presents the Directors' Declaration in respect of the following funds:

BetaShares Active Australian Hybrids Fund (managed fund)
BetaShares Australia 200 ETF
BetaShares Australian Dividend Harvester Fund (managed fund)
BetaShares Australian Financials Sector ETF
BetaShares Australian Resources Sector ETF
BetaShares Australian Small Companies Select Fund (managed fund)
BetaShares Australian Sustainability Leaders ETF
BetaShares Ex-20 Portfolio Diversifier ETF
BetaShares FTSE RAFI Australia 200 ETF
BetaShares Managed Risk Australian Share Fund (managed fund)

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

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



Alex Vynokur
Director

Sydney
22 September 2021



Independent Auditor's Report

To the respective unitholders of the following Schemes:

- BetaShares Active Australian Hybrids Fund (managed fund)
- BetaShares Australia 200 ETF
- BetaShares Australian Dividend Harvester Fund (managed fund)
- BetaShares Australian Financials Sector ETF
- BetaShares Australian Resources Sector ETF
- BetaShares Australian Small Companies Select Fund (managed fund)
- BetaShares Australian Sustainability Leaders ETF
- BetaShares Ex-20 Portfolio Diversifier ETF
- BetaShares FTSE RAFI Australia 200 ETF
- BetaShares Managed Risk Australian Share Fund (managed fund)

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

Opinion

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

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

- giving a true and fair view of the Schemes' financial position as at 30 June 2021, and of their financial performance and their cash flows for the year ended on that date; and
 - complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.
- The **Financial Report** of the Schemes comprise:
- Statements of financial position as at 30 June 2021;
 - Statements of comprehensive income for the year then ended;
 - Statements of changes in equity, and Statements of cash flows for the year then ended;
 - Notes including a summary of significant accounting policies; and
 - Directors' Declaration made by the Directors' of BetaShares Capital Limited (the Responsible Entity).

Basis for opinion

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

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

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



Key Audit Matters

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

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

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

- Valuation and existence of financial instruments.

Valuation and existence of financial instruments
 (BetaShares Active Australian Hybrids Fund (managed fund) \$1,203,975,000, BetaShares Australia 200 ETF \$1,483,158,000, BetaShares Australian Dividend Harvester Fund (managed fund) \$152,188,000, BetaShares Australian Financials Sector ETF \$56,858,000, BetaShares Australian Resources Sector ETF \$119,642,000, BetaShares Australian Small Companies Select Fund (managed fund) \$62,642,000, BetaShares Australian Sustainability Leaders ETF \$1,056,325,000, BetaShares EX-20 Portfolio Diversifier ETF \$227,084,000, BetaShares FTSE RAFI Australia 200 ETF \$369,158,000, BetaShares Managed Risk Australian Share Fund (managed fund) \$20,710,000).

Refer to Note 5 to the Financial Report

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

<ul style="list-style-type: none"> Executing transactions as instructed by the Responsible Entity and recording and valuing investments to the Scheme administrator; Maintaining custody and underlying records of investments to the custodian; Valuation and existence of investments is a key audit matter due to the: <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. 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	requirements of the accounting standards. <ul style="list-style-type: none"> We obtained and read the Scheme's Service Provider's ASAE 3402 Assurance Reports on Controls at a Service Organisation and GS007 (Guidance Statements of 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"> Scheme administrator – to execute transactions, record and value the Scheme's investments; Custodian – to maintain custody and underlying records of the Scheme's investments;
	<ul style="list-style-type: none"> 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.



	<ul style="list-style-type: none">• We checked the existence of investments, being the ownership and quantity held to external sources such as derivative confirmations for 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>
--	---

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

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

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.

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.



Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

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

This description forms part of our Auditor's Report.



KPMG

Nicholas Buchanan

Partner

Sydney

22 September 2021

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