



**BetaShares**

Exchange Traded Funds

27 September 2022

Market Announcements Office  
ASX Limited

To be released for each of the ASX codes listed below

### **ANNUAL FINANCIAL REPORT 2022**

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 2022.

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

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

Betashares Capital Ltd ABN 78 139 566 868

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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, Target Market Determination ("TMD") and ASX announcements and seek professional legal, financial, taxation, and/or other professional advice before making an investment decision regarding any BetaShares Funds. For a copy of the PDS and more information about BetaShares Funds go to [www.betashares.com.au](http://www.betashares.com.au) or call 1300 487 577.

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



Booklet 1

# Annual Financial Report

30 June 2022

**Responsible Entity**

BetaShares Capital Limited Ltd

(ABN 78 139 566 868)

Level 11, 50 Margaret,  
Sydney, NSW 2000

[betashares.com.au](http://betashares.com.au)



## Booklet 1

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

**BetaShares Australian Composite Bond ETF - ASX Code: OZBD** (ARSN 652 043 920)

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

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

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

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

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

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

**BetaShares U.S. Treasury Bond 20+ Year ETF - Currency Hedged - ASX Code: GGOV** (ARSN 636 987 730)

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

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

## Annual Financial Report

30 June 2022

**Booklet 1  
Annual Financial Report  
30 June 2022**

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## Directors' report

The directors of BetaShares Capital Ltd, the Responsible Entity of the following managed investment funds (the "Funds") present their report together with the annual financial report of the Funds for the period ended 30 June 2022 and the auditor's report thereon.

Fund name	Referred to in this document as	Financial reporting period	ARSN
BetaShares Australian Bank Senior Floating Rate Bond ETF	Australian Bank Senior Floating Rate Bond ETF	1 July 2021 to 30 June 2022	613 694 385
BetaShares Australian Composite Bond ETF	Australian Composite Bond ETF	29 July 2021 to 30 June 2022	652 043 920
BetaShares Australian Government Bond ETF	Australian Government Bond ETF	1 July 2021 to 30 June 2022	631 805 153
BetaShares Australian High Interest Cash ETF	Australian High Interest Cash ETF	1 July 2021 to 30 June 2022	143 219 961
BetaShares Australian Investment Grade Corporate Bond ETF	Australian Investment Grade Corporate Bond ETF	1 July 2021 to 30 June 2022	623 815 752
BetaShares Australian Major Bank Hybrids Index ETF	Australian Major Bank Hybrids Index ETF	1 July 2021 to 30 June 2022 (comparatives: 1 September 2020 to 30 June 2021)	643 693 403
BetaShares British Pound ETF	British Pound ETF	1 July 2021 to 30 June 2022	151 133 514
BetaShares Euro ETF	Euro ETF	1 July 2021 to 30 June 2022	151 131 967
BetaShares U.S. Treasury Bond 20+ Year ETF - Currency Hedged (formerly known as BetaShares Global Government Bond 20+ Year ETF - Currency Hedged)	U.S. Treasury Bond 20+ Year ETF - Currency Hedged	1 July 2021 to 30 June 2022	636 987 730
BetaShares Sustainability Leaders Diversified Bond ETF - Currency Hedged	Sustainability Leaders Diversified Bond ETF - Currency Hedged	1 July 2021 to 30 June 2022	631 805 484
BetaShares U.S. Dollar ETF	U.S. Dollar ETF	1 July 2021 to 30 June 2022	147 517 280

### Responsible Entity

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

### Principal activities

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.

Australian Composite Bond ETF commenced operations on 2 February 2022.

The Funds did not have any employees during the period.

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

## Directors' report (continued)

### Directors

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

Mr Alex Vynokur (appointed 21 September 2009)  
Mr Jason Gellert (appointed 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.

During the year, there has been increased volatility in global financial markets due to geopolitical events and economic conditions which may have affected the value of the funds to a greater extent.

### Significant changes in state of affairs

The Responsible Entity for the Funds has replaced RBC Investor Services Trust with Citigroup Pty Ltd ("Citi") as the Custodian and Fund Administrator. The transition to Citi was completed in late September & early October 2021 for the Funds.

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

## Directors' report (continued)

### Matters subsequent to the end of the financial period

The Responsible Entity changed the investment objective of U.S. Treasury Bond 20+ Year ETF - Currency Hedged effective following the close of ASX trading on 22 August 2022 (the Effective Date). Following the close of trading on the Effective Date, the Fund aims to track the performance of the S&P U.S. Treasury 20+ Year AUD Hedged Bond Index, before fees and expenses. The Fund's name also changed to BetaShares U.S. Treasury Bond 20+ Year ETF – Currency Hedged.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect:

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

### Likely developments and expected results of operations

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

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

### Indemnification and insurance of officers and auditors

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

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

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

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

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

### Interests in the Funds

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

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

**Directors' report (continued)**

**Environmental regulation**

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

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

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

**Auditor's independence declaration**

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

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



Alex Vynokur  
Director

Sydney  
15 September 2022



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

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

BetaShares Australian Bank Senior Floating Rate Bond ETF

BetaShares Australian Composite Bond ETF

BetaShares Australian Government Bond ETF

BetaShares Australian High Interest Cash ETF

BetaShares Australian Investment Grade Corporate Bond ETF

BetaShares Australian Major Bank Hybrids Index ETF

BetaShares British Pound ETF

BetaShares Euro ETF

BetaShares U.S. Treasury Bond 20+ Year ETF - Currency Hedged

BetaShares Sustainability Leaders Diversified Bond ETF

BetaShares U.S. Dollar ETF

I declare that, to the best of my knowledge and belief, in relation to the audit of the Schemes for the financial period ended 30 June 2022 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

15 September 2022

Booklet 1  
Statements of comprehensive income  
For the period ended 30 June 2022

Statements of comprehensive income

	Notes	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>	Australian Government Bond ETF	
		30 June 2022	30 June 2021	30 June 2022	30 June 2022	30 June 2021
		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>						
Interest income		5,786	6,513	77	5,524	2,224
Dividend/distribution income		24	32	-	-	-
Net gains/(losses) on financial instruments at fair value through profit or loss		(12,233)	5,238	(662)	(52,874)	(3,468)
Net foreign exchange gains/(losses)		-	-	-	-	-
Other operating income		175	112	13	151	145
<b>Total net investment income/(loss)</b>		<b>(6,248)</b>	<b>11,895</b>	<b>(572)</b>	<b>(47,199)</b>	<b>(1,099)</b>
<b>Expenses</b>						
Management fees	14	1,254	1,343	5	467	190
Expense recoveries	14	199	214	-	74	30
Transaction costs		-	1	-	1	-
Interest expenses		1	-	-	-	-
Other operating expenses		1	1	-	1	2
<b>Total operating expenses</b>		<b>1,455</b>	<b>1,559</b>	<b>5</b>	<b>543</b>	<b>222</b>
<b>Profit/(loss) for the period</b>		<b>(7,703)</b>	<b>10,336</b>	<b>(577)</b>	<b>(47,742)</b>	<b>(1,321)</b>
Other comprehensive income		-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>		<b>(7,703)</b>	<b>10,336</b>	<b>(577)</b>	<b>(47,742)</b>	<b>(1,321)</b>

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

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund was registered on 29 July 2021 and commenced trading on 2 February 2022.

Booklet 1  
Statements of comprehensive income  
For the period ended 30 June 2022  
(continued)

Statements of comprehensive income	Notes	Australian High Interest Cash ETF		Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF <sup>2</sup>	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>							
Interest income		11,294	14,573	15,771	13,910	1	-
Dividend/distribution income		-	-	9	16	2,313	56
Net gains/(losses) on financial instruments at fair value through profit or loss		-	-	(104,125)	4,420	(6,008)	59
Net foreign exchange gains/(losses)		-	-	-	-	-	-
Other operating income		-	-	264	318	76	7
<b>Total net investment income/(loss)</b>		<b>11,294</b>	<b>14,573</b>	<b>(88,081)</b>	<b>18,664</b>	<b>(3,618)</b>	<b>122</b>
<b>Expenses</b>							
Management fees	14	4,180	3,935	1,113	972	306	5
Expense recoveries	14	-	-	152	134	-	-
Transaction costs		-	-	3	1	38	2
Interest expenses		-	-	1	-	-	-
Other operating expenses		-	-	2	3	1	-
<b>Total operating expenses</b>		<b>4,180</b>	<b>3,935</b>	<b>1,271</b>	<b>1,110</b>	<b>345</b>	<b>7</b>
<b>Profit/(loss) for the period</b>		<b>7,114</b>	<b>10,638</b>	<b>(89,352)</b>	<b>17,554</b>	<b>(3,963)</b>	<b>115</b>
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>		<b>7,114</b>	<b>10,638</b>	<b>(89,352)</b>	<b>17,554</b>	<b>(3,963)</b>	<b>115</b>

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

<sup>2</sup> The comparison period for the Australian Major Bank Hybrids Index ETF was 1 September 2020 to 30 June 2021.

Booklet 1  
Statements of comprehensive income  
For the period ended 30 June 2022  
(continued)

Statements of comprehensive income

	Notes	British Pound ETF		Euro ETF <sup>3</sup>		U.S. Treasury Bond 20+ Year ETF - Currency Hedged	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
		\$'000	\$'000	\$ <sup>4</sup>	\$ <sup>4</sup>	\$ <sup>4</sup>	\$ <sup>4</sup>
<b>Investment income</b>							
Interest income		37	-	-	-	85,468	47,709
Net gains/(losses) on financial instruments at fair value through profit or loss		-	-	-	-	(1,715,882)	(251,835)
Net foreign exchange gains/(losses)		(529)	361	(457,905)	(134,138)	342,707	(26,989)
Other operating income		-	-	64	275	6,461	3,071
<b>Total net investment income/(loss)</b>		<b>(492)</b>	<b>361</b>	<b>(457,841)</b>	<b>(133,863)</b>	<b>(1,281,246)</b>	<b>(228,044)</b>
<b>Expenses</b>							
Management fees	14	65	65	43,954	35,489	8,431	5,170
Expense recoveries	14	-	-	-	-	1,331	816
Transaction costs		-	-	-	-	4	-
Interest expenses		-	-	71,333	44,878	236	-
Other operating expenses		-	-	-	-	644	567
<b>Total operating expenses</b>		<b>65</b>	<b>65</b>	<b>115,287</b>	<b>80,367</b>	<b>10,646</b>	<b>6,553</b>
<b>Operating profit/(loss)</b>		<b>(557)</b>	<b>296</b>	<b>(573,128)</b>	<b>(214,230)</b>	<b>(1,291,892)</b>	<b>(234,597)</b>
<b>Finance costs attributable to unitholders</b>							
Distributions to unitholders <sup>3</sup>		-	-	-	-	-	-
(Increase)/decrease in net assets attributable to unitholders - liability <sup>3</sup>		-	-	573,128	214,230	-	-
<b>Profit/(loss) for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>		<b>(557)</b>	<b>296</b>	<b>-</b>	<b>-</b>	<b>(1,291,892)</b>	<b>(234,597)</b>

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

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

<sup>4</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

Statements of comprehensive income	Sustainability Leaders Diversified Bond ETF - Currency Hedged		U.S. Dollar ETF	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	Notes \$'000	\$'000	\$'000	\$'000
<b>Investment income</b>				
Interest income	3,315	2,113	301	384
Net gains/(losses) on financial instruments at fair value through profit or loss	(35,503)	(2,488)	-	-
Net foreign exchange gains/(losses)	7,615	(426)	11,887	(20,895)
Other operating income	95	145	3	3
<b>Total net investment income/(loss)</b>	<b>(24,478)</b>	<b>(656)</b>	<b>12,191</b>	<b>(20,508)</b>
<b>Expenses</b>				
Management fees	14 669	407	646	801
Expense recoveries	14 172	104	-	-
Transaction costs	1	-	-	-
Interest expenses	11	-	-	-
Other operating expenses	5	4	-	-
<b>Total operating expenses</b>	<b>858</b>	<b>515</b>	<b>646</b>	<b>801</b>
<b>Profit/(loss) for the period</b>	<b>(25,336)</b>	<b>(1,171)</b>	<b>11,545</b>	<b>(21,309)</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>	<b>(25,336)</b>	<b>(1,171)</b>	<b>11,545</b>	<b>(21,309)</b>

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

Booklet 1  
Statements of financial position  
As at 30 June 2022

Statements of financial position

	Notes	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>	Australian Government Bond ETF	
		30 June 2022 \$'000	30 June 2021 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2021 \$'000
<b>Assets</b>						
Cash and cash equivalents		566	1,009	223	5,639	476
Financial assets at fair value through profit or loss	5	558,943	671,863	19,190	420,607	179,422
Other receivables	6	1,217	859	1,891	1,673	819
<b>Total assets</b>		<b>560,726</b>	<b>673,731</b>	<b>21,304</b>	<b>427,919</b>	<b>180,717</b>
<b>Liabilities</b>						
Financial liabilities at fair value through profit and loss	5	-	-	-	36	-
Distributions payable	4	999	1,137	42	708	140
Other payables	7	106	136	1,918	78	37
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>1,105</b>	<b>1,273</b>	<b>1,960</b>	<b>822</b>	<b>177</b>
<b>Net assets attributable to unitholders - equity</b>	3	<b>559,621</b>	<b>672,458</b>	<b>19,344</b>	<b>427,097</b>	<b>180,540</b>

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

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund was registered on 29 July 2021 and commenced trading on 2 February 2022.

Statements of financial position		Australian High Interest Cash ETF		Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF	
		30 June 2022 \$'000	30 June 2021 \$'000	30 June 2022 \$'000	30 June 2021 \$'000	30 June 2022 \$'000	30 June 2021 \$'000
<b>Assets</b>							
	Cash and cash equivalents	1,774,497	2,088,165	7,544	593	512	50
5	Financial assets at fair value through profit or loss	-	-	453,669	487,364	158,149	13,043
6	Other receivables	1,612	31,085	3,722	3,324	8	7
	Due from brokers - receivable for securities sold	-	-	696	-	-	-
	<b>Total assets</b>	<b>1,776,109</b>	<b>2,119,250</b>	<b>465,631</b>	<b>491,281</b>	<b>158,669</b>	<b>13,100</b>
<b>Liabilities</b>							
4	Distributions payable	1,309	616	1,150	5,447	382	26
7	Other payables	286	353	111	164	48	4
	<b>Total liabilities (excluding net assets attributable to unitholders)</b>	<b>1,595</b>	<b>969</b>	<b>1,261</b>	<b>5,611</b>	<b>430</b>	<b>30</b>
3	<b>Net assets attributable to unitholders - equity</b>	<b>1,774,514</b>	<b>2,118,281</b>	<b>464,370</b>	<b>485,670</b>	<b>158,239</b>	<b>13,070</b>

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

Booklet 1  
Statements of financial position  
As at 30 June 2022  
(continued)

	Notes	British Pound ETF		Euro ETF <sup>2</sup>		U.S. Treasury Bond 20+ Year ETF - Currency Hedged	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
		\$'000	\$'000	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>
<b>Assets</b>							
Cash and cash equivalents		13,179	13,321	9,455,885	8,822,146	28,726	16,211
Financial assets at fair value through profit or loss	5	-	-	-	-	7,136,088	3,638,361
Other receivables	6	11	1	735	920	46,481	19,401
<b>Total assets</b>		<b>13,190</b>	<b>13,322</b>	<b>9,456,620</b>	<b>8,823,066</b>	<b>7,211,295</b>	<b>3,673,973</b>
<b>Liabilities</b>							
Financial liabilities at fair value through profit and loss	5	-	-	-	-	180,323	46,145
Distributions payable	4	-	-	-	-	18,200	72,695
Other payables	7	5	6	9,126	8,991	2,066	995
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>5</b>	<b>6</b>	<b>9,126</b>	<b>8,991</b>	<b>200,589</b>	<b>119,835</b>
<b>Net assets attributable to unitholders - liability<sup>2</sup></b>	3	<b>-</b>	<b>-</b>	<b>9,447,494</b>	<b>8,814,075</b>	<b>-</b>	<b>-</b>
<b>Net assets attributable to unitholders - equity<sup>2</sup></b>	3	<b>13,185</b>	<b>13,316</b>	<b>-</b>	<b>-</b>	<b>7,010,706</b>	<b>3,554,138</b>

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

<sup>2</sup> Net assets attributable to unit holders are reclassified from equity to liability from 19 February 2021 for Euro ETF. Refer to note 3 for further detail.

<sup>3</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

Statements of financial position	Notes	Sustainability Leaders Diversified Bond ETF - Currency Hedged		U.S. Dollar ETF	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
Cash and cash equivalents		2,425	6,019	148,838	139,949
Financial assets at fair value through profit or loss	5	171,498	141,381	-	-
Other receivables	6	947	799	141	27
<b>Total assets</b>		<b>174,870</b>	<b>148,199</b>	<b>148,979</b>	<b>139,976</b>
<b>Liabilities</b>					
Financial liabilities at fair value through profit and loss	5	1,975	358	-	-
Distributions payable	4	2,242	2,855	-	-
Other payables	7	71	60	54	56
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>4,288</b>	<b>3,273</b>	<b>54</b>	<b>56</b>
<b>Net assets attributable to unitholders - equity</b>	3	<b>170,582</b>	<b>144,926</b>	<b>148,925</b>	<b>139,920</b>

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

Booklet 1  
Statements of changes in equity  
For the period ended 30 June 2022

Statements of changes in equity	Notes	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>	Australian Government Bond ETF	
		30 June 2022	30 June 2021	30 June 2022	30 June 2022	30 June 2021
		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the period</b>	3	672,458	710,038	-	180,540	18,752
<b>Comprehensive income for the period</b>						
Profit/(loss) for the period		(7,703)	10,336	(577)	(47,742)	(1,321)
Other comprehensive income		-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>		(7,703)	10,336	(577)	(47,742)	(1,321)
<b>Transactions with unitholders</b>						
Applications	3	41,526	45,995	20,016	312,506	168,046
Redemptions	3	(141,703)	(87,610)	-	(14,096)	(3,962)
Units issued upon reinvestment of distributions	3	95	88	-	70	14
Distributions to unitholders	3,4	(5,052)	(6,389)	(95)	(4,181)	(989)
<b>Total transactions with unitholders</b>		(105,134)	(47,916)	19,921	294,299	163,109
<b>Total equity at the end of the period</b>	3	559,621	672,458	19,344	427,097	180,540

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

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund was registered on 29 July 2021 and commenced trading on 2 February 2022.

Booklet 1  
Statements of changes in equity  
For the period ended 30 June 2022  
(continued)

	Notes	Australian High Interest Cash ETF		Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF <sup>2</sup>	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Statements of changes in equity</b>							
<b>Total equity at the beginning of the period</b>	3	2,118,281	1,967,839	485,670	345,691	13,070	-
<b>Comprehensive income for the period</b>							
Profit/(loss) for the period		7,114	10,638	(89,352)	17,554	(3,963)	115
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>		7,114	10,638	(89,352)	17,554	(3,963)	115
<b>Transactions with unitholders</b>							
Applications	3	1,440,653	1,504,916	141,905	147,751	151,369	13,002
Redemptions	3	(1,785,678)	(1,356,101)	(59,397)	(4,312)	-	-
Units issued upon reinvestment of distributions	3	1,229	1,741	886	624	83	-
Distributions to unitholders	3,4	(7,085)	(10,752)	(15,342)	(21,638)	(2,320)	(47)
<b>Total transactions with unitholders</b>		(350,881)	139,804	68,052	122,425	149,132	12,955
<b>Total equity at the end of the period</b>	3	1,774,514	2,118,281	464,370	485,670	158,239	13,070

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

<sup>2</sup> The comparison period for the Australian Major Bank Hybrids Index ETF was 1 September 2020 to 30 June 2021.

Booklet 1  
Statements of changes in equity  
For the period ended 30 June 2022  
(continued)

Statements of changes in equity		British Pound ETF		Euro ETF <sup>3</sup>		U.S. Treasury Bond 20+ Year ETF - Currency Hedged		
		30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021	
Notes		\$'000	\$'000	\$ <sup>4</sup>	\$ <sup>4</sup>	\$ <sup>4</sup>	\$ <sup>4</sup>	
<b>Total equity at the beginning of the period</b>		3	13,316	16,096	-	11,544,843	3,554,138	1,951,578
Reclassification due to AMIT tax regime non-eligibility requirements*			-	-	-	(11,544,843)	-	-
<b>Comprehensive income for the period</b>								
Profit/(loss) for the period			(557)	296	-	-	(1,291,892)	(234,597)
Other comprehensive income			-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>			(557)	296	-	-	(1,291,892)	(234,597)
<b>Transactions with unitholders</b>								
Applications		3	4,895	869	-	-	6,178,754	1,923,835
Redemptions		3	(4,469)	(3,950)	-	-	(1,392,554)	-
Units issued upon reinvestment of distributions		3	-	5	-	-	10,460	2,462
Distributions to unitholders		3,4	-	-	-	-	(48,200)	(89,140)
<b>Total transactions with unitholders</b>			426	(3,076)	-	-	4,748,460	1,837,157
<b>Total equity at the end of the period<sup>3</sup></b>		3	13,185	13,316	-	-	7,010,706	3,554,138

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

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

<sup>4</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

Statements of changes in equity	Notes	Sustainability Leaders Diversified Bond ETF - Currency Hedged		U.S. Dollar ETF	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the period</b>	3	144,926	63,169	139,920	292,584
<b>Comprehensive income for the period</b>					
Profit/(loss) for the period		(25,336)	(1,171)	11,545	(21,309)
Other comprehensive income		-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>		(25,336)	(1,171)	11,545	(21,309)
<b>Transactions with unitholders</b>					
Applications	3	55,364	85,808	62,554	53,676
Redemptions	3	(3,819)	-	(65,094)	(185,168)
Units issued upon reinvestment of distributions	3	2,279	265	-	137
Distributions to unitholders	3,4	(2,832)	(3,145)	-	-
<b>Total transactions with unitholders</b>		50,992	82,928	(2,540)	(131,355)
<b>Total equity at the end of the period</b>	3	170,582	144,926	148,925	139,920

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

Booklet 1  
Statements of cash flows  
For the period ended 30 June 2022

Statements of cash flows

	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>	Australian Government Bond ETF	
	30 June 2022 \$'000	30 June 2021 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2021 \$'000
Notes					
<b>Cash flows from operating activities</b>					
Proceeds from sale of financial instruments at fair value through profit or loss	764,276	233,182	180	133,391	63,689
Payments for purchase of financial instruments at fair value through profit or loss	(663,588)	(191,247)	(18,117)	(427,413)	(227,918)
Dividends/distributions received	24	32	-	-	-
Interest income received	5,417	6,705	-	4,673	1,510
Other operating income received	174	112	13	151	145
Management fees paid	(1,266)	(1,351)	(3)	(432)	(169)
Interest expenses paid	-	-	(54)	-	-
Expense recoveries paid	(199)	(216)	-	(69)	(27)
Transaction costs paid	-	(1)	-	(1)	-
Other operating expenses paid	(8)	(1)	-	(3)	(1)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>104,830</b>	<b>47,215</b>	<b>(17,981)</b>	<b>(289,703)</b>	<b>(162,771)</b>
8					
<b>Cash flows from financing activities</b>					
Proceeds from applications by unitholders	41,526	45,995	18,256	312,505	168,046
Payments for redemptions by unitholders	(141,703)	(87,610)	-	(14,096)	(3,962)
Distributions paid	(5,096)	(5,504)	(52)	(3,543)	(865)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(105,273)</b>	<b>(47,119)</b>	<b>18,204</b>	<b>294,866</b>	<b>163,219</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(443)</b>	<b>96</b>	<b>223</b>	<b>5,163</b>	<b>448</b>
Cash and cash equivalents at the beginning of the financial period	1,009	913	-	476	28
Effects of foreign currency exchange rate changes on cash and cash equivalents	-	-	-	-	-
<b>Cash and cash equivalents at the end of the financial period</b>	<b>566</b>	<b>1,009</b>	<b>223</b>	<b>5,639</b>	<b>476</b>
<b>Non-cash financing activities</b>					
Units issued upon reinvestment of distributions	95	88	-	70	14

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

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund was registered on 29 July 2021 and commenced trading on 2 February 2022.

Booklet 1  
Statements of cash flows  
For the period ended 30 June 2022  
(continued)

Statements of cash flows	Australian High Interest Cash ETF		Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF <sup>2</sup>	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>						
Proceeds from sale of financial instruments at fair value through profit or loss	-	-	276,515	399,629	34,386	725
Payments for purchase of financial instruments at fair value through profit or loss	-	-	(347,641)	(539,154)	(185,500)	(13,709)
Dividends/distributions received	-	-	9	19	2,320	49
Interest income received	10,694	14,882	15,366	13,440	1	-
Other operating income received	30	-	271	357	76	7
Management fees paid	(4,254)	(3,917)	(1,124)	(955)	(265)	(1)
Expense recoveries paid	-	-	(154)	(132)	-	-
Transaction costs paid	-	-	(3)	(1)	(38)	(2)
Other operating expenses paid	-	-	(43)	(3)	(6)	-
<b>Net cash inflow/(outflow) from operating activities</b>	<b>6,470</b>	<b>10,965</b>	<b>(56,804)</b>	<b>(126,800)</b>	<b>(149,026)</b>	<b>(12,931)</b>
<b>Cash flows from financing activities</b>						
Proceeds from applications by unitholders	1,470,703	1,474,866	141,905	147,751	151,369	13,002
Payments for redemptions by unitholders	(1,785,678)	(1,356,101)	(59,397)	(4,312)	-	-
Distributions paid	(5,163)	(9,552)	(18,753)	(18,870)	(1,881)	(21)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(320,138)</b>	<b>109,213</b>	<b>63,755</b>	<b>124,569</b>	<b>149,488</b>	<b>12,981</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(313,668)</b>	<b>120,178</b>	<b>6,951</b>	<b>(2,231)</b>	<b>462</b>	<b>50</b>
Cash and cash equivalents at the beginning of the financial period	2,088,165	1,967,987	593	2,824	50	-
Effects of foreign currency exchange rate changes on cash and cash equivalents	-	-	-	-	-	-
<b>Cash and cash equivalents at the end of the financial period</b>	<b>1,774,497</b>	<b>2,088,165</b>	<b>7,544</b>	<b>593</b>	<b>512</b>	<b>50</b>
<b>Non-cash financing activities</b>						
Units issued upon reinvestment of distributions	1,229	1,741	886	624	83	-

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

<sup>2</sup> The comparison period for the Australian Major Bank Hybrids Index ETF was 1 September 2020 to 30 June 2021.

Booklet 1  
Statements of cash flows  
For the period ended 30 June 2022  
(continued)

Statements of cash flows

	British Pound ETF		Euro ETF		U.S. Treasury Bond 20+ Year ETF - Currency Hedged	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>
<b>Cash flows from operating activities</b>						
Proceeds from sale of financial instruments at fair value through profit or loss	-	-	-	-	33,883,319	707,316
Payments for purchase of financial instruments at fair value through profit or loss	-	-	-	-	(38,620,303)	(2,621,272)
Interest income received	27	-	-	-	58,418	38,899
Other operating income received	-	-	249	275	6,461	3,071
Management fees paid	(66)	(66)	(43,974)	(36,649)	(7,796)	(5,063)
Interest expenses paid	-	-	(71,178)	(44,180)	-	-
Expense recoveries paid	-	-	-	-	(1,231)	(800)
Transaction costs paid	-	-	-	-	(4)	-
Other operating expenses paid	-	-	-	-	(574)	(294)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(39)</b>	<b>(66)</b>	<b>(114,903)</b>	<b>(80,554)</b>	<b>(4,681,710)</b>	<b>(1,878,143)</b>
<b>Cash flows from financing activities</b>						
Proceeds from applications by unitholders	4,895	869	2,268,567	11,364,028	6,178,754	1,923,835
Payments for redemptions by unitholders	(4,469)	(3,950)	(1,062,020)	(13,880,566)	(1,392,554)	-
Distributions paid	-	(79)	-	-	(92,235)	(56,285)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>426</b>	<b>(3,160)</b>	<b>1,206,547</b>	<b>(2,516,538)</b>	<b>4,693,965</b>	<b>1,867,550</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>387</b>	<b>(3,226)</b>	<b>1,091,644</b>	<b>(2,597,092)</b>	<b>12,255</b>	<b>(10,593)</b>
Cash and cash equivalents at the beginning of the financial period	13,321	16,186	8,822,146	11,553,376	16,211	26,143
Effects of foreign currency exchange rate changes on cash and cash equivalents	(529)	361	(457,905)	(134,138)	260	661
<b>Cash and cash equivalents at the end of the financial period</b>	<b>13,179</b>	<b>13,321</b>	<b>9,455,885</b>	<b>8,822,146</b>	<b>28,726</b>	<b>16,211</b>
<b>Non-cash financing activities</b>						
Units issued upon reinvestment of distributions	-	5	-	-	10,460	2,462

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

<sup>3</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

Statements of cash flows	Sustainability Leaders Diversified Bond ETF - Currency Hedged		U.S. Dollar ETF	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	Notes \$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>				
Proceeds from sale of financial instruments at fair value through profit or loss	46,782	19,803	-	-
Payments for purchase of financial instruments at fair value through profit or loss	(103,210)	(104,529)	-	-
Interest income received	3,167	1,715	183	430
Other operating income received	95	145	7	3
Management fees paid	(662)	(387)	(648)	(855)
Expense recoveries paid	(170)	(100)	-	-
Transaction costs paid	(1)	-	-	-
Other operating expenses paid	(14)	(4)	-	-
<b>Net cash inflow/(outflow) from operating activities</b>	<b>8 (54,013)</b>	<b>(83,357)</b>	<b>(458)</b>	<b>(422)</b>
<b>Cash flows from financing activities</b>				
Proceeds from applications by unitholders	55,364	85,808	62,554	53,676
Payments for redemptions by unitholders	(3,820)	-	(65,094)	(185,168)
Distributions paid	(1,166)	(113)	-	(2,967)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>50,378</b>	<b>85,695</b>	<b>(2,540)</b>	<b>(134,459)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(3,635)</b>	<b>2,338</b>	<b>(2,998)</b>	<b>(134,881)</b>
Cash and cash equivalents at the beginning of the financial period	6,019	3,658	139,949	295,725
Effects of foreign currency exchange rate changes on cash and cash equivalents	41	23	11,887	(20,895)
<b>Cash and cash equivalents at the end of the financial period</b>	<b>2,425</b>	<b>6,019</b>	<b>148,838</b>	<b>139,949</b>
<b>Non-cash financing activities</b>				
Units issued upon reinvestment of distributions	2,279	265	-	137

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

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## 1 General information

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

Abbreviated Fund name	Registered date	Commenced date	Financial reporting period
Australian Bank Senior Floating Rate Bond ETF	26 July 2016	1 June 2017	1 July 2021 to 30 June 2022
Australian Composite Bond ETF	29 July 2021	2 February 2022	29 July 2021 to 30 June 2022
Australian Government Bond ETF	4 March 2019	9 July 2019	1 July 2021 to 30 June 2022
Australian High Interest Cash ETF	3 May 2010	6 March 2012	1 July 2021 to 30 June 2022
Australian Investment Grade Corporate Bond ETF	22 January 2018	31 May 2018	1 July 2021 to 30 June 2022
Australian Major Bank Hybrids Index ETF	1 September 2020	21 April 2021	1 July 2021 to 30 June 2022 (comparatives: 1 September 2020 to 30 June 2021)
British Pound ETF	9 June 2011	8 July 2011	1 July 2021 to 30 June 2022
Euro ETF	9 June 2011	8 July 2011	1 July 2021 to 30 June 2022
U.S. Treasury Bond 20+ Year ETF - Currency Hedged (formerly known as BetaShares Global Government Bond 20+ Year ETF - Currency Hedged)	1 November 2019	7 May 2020	1 July 2021 to 30 June 2022
Sustainability Leaders Diversified Bond ETF - Currency Hedged	4 March 2019	26 November 2019	1 July 2021 to 30 June 2022
U.S. Dollar ETF	3 December 2010	1 February 2011	1 July 2021 to 30 June 2022

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 15 September 2022. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

## 2 Summary of significant accounting policies

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

### (a) Basis of preparation

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

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

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

## 2 Summary of significant accounting policies (continued)

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

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

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

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

#### *Use of estimates and judgement*

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

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

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

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

#### *Investment entity exception*

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

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

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

## 2 Summary of significant accounting policies (continued)

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

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 any managed investment funds in which they invest, 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 relevant funds, or whether the contractual agreement with the fund manager is the dominant factor in controlling such funds. The Funds have concluded that any managed investment funds in which they invest are not structured entities.

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

### (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 2022, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Funds.

### (c) Financial instruments

#### *(i) Classification*

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

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

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

## 2 Summary of significant accounting policies (continued)

### (c) Financial instruments (continued)

#### *(ii) Recognition/derecognition*

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

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

#### *(iii) Measurement*

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

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

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

For further details on how the fair value of the financial instruments is determined are disclosed in note 10.

#### *(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.

### (d) Net assets attributable to unitholders

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

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

Income not distributed is included in net assets attributable to unitholders. Where the Funds' units are classified as liabilities, movements in net assets attributable to unitholders are recognised in the statement of comprehensive income as finance costs.

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## 2 Summary of significant accounting policies (continued)

### (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.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Fund's main income generating activity.

### (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 and distribution income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income within dividend income and distribution income when the Funds' right to receive payments is established.

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 period under the AMIT tax regime. Such amounts form part of unitholders' assessable incomes for the relevant financial period. The benefits of imputation credits and foreign tax paid are passed onto unitholders.

### (i) Distributions

Distributions are payable, either by cash or reinvestment, as set out in the Funds' product disclosure statements and/or Funds' Constitutions.

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

## 2 Summary of significant accounting policies (continued)

### (j) Foreign currency translation

#### (i) Functional and presentation currency

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

#### (ii) Transactions and balances

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

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

### (k) Due from/to brokers

Amounts due from/to brokers (if applicable) represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the period. Trades are recorded on trade date, and for equities normally settled within three business days. These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance.

### (l) Other 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.

## 2 Summary of significant accounting policies (continued)

### (m) Other payables

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

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

### (n) Applications and redemptions

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

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

The GST incurred on the costs of various services provided to the Funds by third parties such as custodial services and investment management fees have been passed onto the Funds. The Funds qualify for Reduced Input Tax Credits (RITC) at a rate of 55% to 85%; hence investment management fees, custodial fees and other expenses have been recognised in the statements of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net of the amount of goods and services tax (GST) recoverable from the Australian Taxation Office (ATO) as a reduced input tax credit (RITC) is included in the payables in the statement of financial position. This change does not have a material impact on prior periods and no restatement was made to the comparative period.

### (p) Rounding of amounts

The Funds are entities 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

Units are redeemable at the unitholders' option, however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unitholders. The units can be put back to the Funds at any time for cash based on the redemption price, which is equal to a proportionate share of the Funds' net asset value attributable to the unitholders.

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

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

	Australian Bank Senior Floating Rate Bond ETF				Australian Composite Bond ETF <sup>1</sup>			
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2022		
	Units '000	Units '000	\$'000	\$'000	Units '000	\$'000		
<b>Net assets attributable to unitholders</b>								
Opening balance	25,870	27,467	672,458	710,038	-	-		
Applications	1,600	1,760	41,526	45,995	440	20,016		
Redemptions	(5,520)	(3,360)	(141,703)	(87,610)	-	-		
Units issued upon reinvestment of distributions	4	3	95	88	-	-		
Distributions to unitholders	-	-	(5,052)	(6,389)	-	(96)		
Profit/(loss) for the period	-	-	(7,703)	10,336	-	(577)		
<b>Closing balance</b>	<b>21,954</b>	<b>25,870</b>	<b>559,621</b>	<b>672,458</b>	<b>440</b>	<b>19,343</b>		

  

	Australian Government Bond ETF				Australian High Interest Cash ETF			
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
<b>Net assets attributable to unitholders</b>								
Opening balance	3,565	360	180,540	18,752	42,308	39,303	2,118,281	1,967,839
Applications	6,860	3,285	312,506	168,046	28,770	30,050	1,440,653	1,504,916
Redemptions	(280)	(80)	(14,096)	(3,962)	(35,660)	(27,080)	(1,785,678)	(1,356,101)
Units issued upon reinvestment of distributions	1	-	70	14	25	35	1,229	1,741
Distributions to unitholders	-	-	(4,181)	(989)	-	-	(7,085)	(10,752)
Profit/(loss) for the period	-	-	(47,742)	(1,321)	-	-	7,114	10,638
<b>Closing balance</b>	<b>10,146</b>	<b>3,565</b>	<b>427,097</b>	<b>180,540</b>	<b>35,443</b>	<b>42,308</b>	<b>1,774,514</b>	<b>2,118,281</b>

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund was registered on 29 July 2021 and commenced trading on 2 February 2022.

3 Net assets attributable to unitholders (continued)

	Australian Investment Grade Corporate Bond ETF				Australian Major Bank Hybrids Index ETF <sup>1</sup>			
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
<b>Net assets attributable to unitholders</b>								
Opening balance	18,107	12,884	485,670	345,691	1,300	-	13,070	-
Applications	5,600	5,360	141,905	147,751	15,100	1,300	151,369	13,002
Redemptions	(2,400)	(160)	(59,397)	(4,312)	-	-	-	-
Units issued upon reinvestment of distributions	35	23	886	624	8	-	83	-
Distributions to unitholders	-	-	(15,342)	(21,638)	-	-	(2,320)	(47)
Profit/(loss) for the period	-	-	(89,352)	17,554	-	-	(3,963)	115
<b>Closing balance</b>	<b>21,342</b>	<b>18,107</b>	<b>464,370</b>	<b>485,670</b>	<b>16,408</b>	<b>1,300</b>	<b>158,239</b>	<b>13,070</b>

  

	British Pound ETF				Euro ETF*			
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	Units '000	Units '000	\$'000	\$'000	Units <sup>2</sup>	Units <sup>2</sup>	\$ <sup>2</sup>	\$ <sup>2</sup>
<b>Net assets attributable to unitholders</b>								
Opening balance	746	921	13,316	16,096	590,000	740,000	8,814,075	11,544,843
Applications	275	50	4,895	869	150,000	750,000	2,268,567	11,364,028
Redemptions	(250)	(225)	(4,469)	(3,950)	(75,000)	(900,000)	(1,062,020)	(13,880,566)
Change in net assets attributable to unitholders*	-	-	-	-	-	-	(573,128)	(214,230)
Profit/(loss) for the period	-	-	(557)	296	-	-	-	-
<b>Closing balance</b>	<b>771</b>	<b>746</b>	<b>13,185</b>	<b>13,316</b>	<b>665,000</b>	<b>590,000</b>	<b>9,447,494</b>	<b>8,814,075</b>

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

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

<sup>1</sup> The comparison period for the Australian Major Bank Hybrids Index ETF was 1 September 2020 to 30 June 2021.

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

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

	U.S. Treasury Bond 20+ Year ETF - Currency Hedged				Sustainability Leaders Diversified Bond ETF - Currency Hedged <sup>1</sup>			
	30 June 2022 Units <sup>1</sup>	30 June 2021 Units <sup>1</sup>	30 June 2022 \$ <sup>1</sup>	30 June 2021 \$ <sup>1</sup>	30 June 2022 Units '000	30 June 2021 Units '000	30 June 2022 \$'000	30 June 2021 \$'000
<b>Net assets attributable to unitholders</b>								
Opening balance	160,104	80,000	3,554,138	1,951,578	5,850	2,480	144,926	63,169
Applications	320,000	80,000	6,178,754	1,923,835	2,280	3,360	55,364	85,808
Redemptions	(80,000)	-	(1,392,554)	-	(160)	-	(3,819)	-
Units issued upon reinvestment of distributions	474	104	10,460	2,462	92	10	2,279	265
Distributions to unitholders	-	-	(48,200)	(89,140)	-	-	(2,832)	(3,145)
Profit/(loss) for the period	-	-	(1,291,892)	(234,597)	-	-	(25,336)	(1,171)
<b>Closing balance</b>	<b>400,578</b>	<b>160,104</b>	<b>7,010,706</b>	<b>3,554,138</b>	<b>8,062</b>	<b>5,850</b>	<b>170,582</b>	<b>144,926</b>

	U.S. Dollar ETF			
	30 June 2022 Units '000	30 June 2021 Units '000	30 June 2022 \$'000	30 June 2021 \$'000
<b>Net assets attributable to unitholders</b>				
Opening balance	10,944	20,934	139,920	292,584
Applications	4,700	4,175	62,554	53,676
Redemptions	(4,950)	(14,175)	(65,094)	(185,168)
Units issued upon reinvestment of distributions	-	10	-	137
Profit/(loss) for the period	-	-	11,545	(21,309)
<b>Closing balance</b>	<b>10,694</b>	<b>10,944</b>	<b>148,925</b>	<b>139,920</b>

<sup>1</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

**Capital risk management**

The Funds consider their net assets attributable to unitholders as equity, except for the Euro ETF which had an obligation to distribute when the fund earned taxable income and therefore no longer satisfied the criteria under AASB 132 *Financial Instruments: Presentation* that allowed it to classify net assets attributable to unitholders as equity. 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.

Under the terms of the Funds' Constitutions, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

#### 4 Distributions to unitholders

The distributions for the period were as follows:

	Australian Bank Senior Floating Rate Bond ETF				Australian Composite Bond ETF <sup>1</sup>	
	30 June 2022 \$'000	30 June 2022 CPU	30 June 2021 \$'000	30 June 2021 CPU	30 June 2022 \$'000	30 June 2022 CPU
Distributions paid - July	300	1.14	420	1.52	-	-
Distributions paid - August	404	1.51	400	1.45	-	-
Distributions paid - September	400	1.49	390	1.41	-	-
Distributions paid - October	400	1.49	350	1.26	-	-
Distributions paid - November	400	1.52	325	1.16	-	-
Distributions paid - December	380	1.43	500	1.72	-	-
Distributions paid - January	380	1.42	460	1.58	-	-
Distributions paid - February	330	1.31	499	1.73	-	-
Distributions paid - March	360	1.43	501	1.94	24	19.42
Distributions paid - April	350	1.39	707	2.74	12	10.04
Distributions paid - May	350	1.59	700	2.71	17	10.66
Distributions payable - June	998	4.55	1,137	4.40	42	9.58
<b>Total distributions</b>	<b>5,052</b>	<b>20.27</b>	<b>6,389</b>	<b>23.62</b>	<b>95</b>	<b>49.70</b>

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund was registered on 29 July 2021 and commenced trading on 2 February 2022.

4 Distributions to unitholders (continued)

	Australian Government Bond ETF				Australian High Interest Cash ETF			
	30 June 2022 \$'000	30 June 2022 CPU	30 June 2021 \$'000	30 June 2021 CPU	30 June 2022 \$'000	30 June 2022 CPU	30 June 2021 \$'000	30 June 2021 CPU
	Distributions paid - July	176	5.14	20	3.27	541	1.27	1,204
Distributions paid - August	180	5.25	28	3.68	550	1.28	1,268	2.72
Distributions paid - September	190	5.55	28	3.56	597	1.19	1,111	2.62
Distributions paid - October	230	5.60	42	3.54	611	1.07	1,151	2.61
Distributions paid - November	218	5.36	53	3.67	579	1.15	928	2.15
Distributions paid - December	250	6.21	63	4.13	586	1.12	802	1.82
Distributions paid - January	320	6.69	78	4.06	473	0.87	729	1.66
Distributions paid - February	310	6.48	76	3.95	360	0.74	708	1.58
Distributions paid - March	399	6.71	164	4.65	371	0.92	812	1.89
Distributions paid - April	530	6.38	147	4.11	377	0.91	708	1.53
Distributions paid - May	670	6.91	150	4.21	731	1.94	715	1.56
Distributions payable - June	708	6.98	140	3.93	1,309	3.69	616	1.46
<b>Total distributions</b>	<b>4,181</b>	<b>73.26</b>	<b>989</b>	<b>46.76</b>	<b>7,085</b>	<b>16.15</b>	<b>10,752</b>	<b>24.42</b>

4 Distributions to unitholders (continued)

	Australian Investment Grade Corporate Bond ETF				Australian Major Bank Hybrids Index ETF <sup>1</sup>			
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2022	2022	2021	2021	2022	2022	2021	2021
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid - July	1,300	7.02	779	5.66	36	2.01	-	-
Distributions paid - August	1,412	7.43	774	5.29	66	2.06	-	-
Distributions paid - September	1,305	6.73	804	5.34	103	1.94	-	-
Distributions paid - October	1,305	6.34	819	5.30	119	1.86	-	-
Distributions paid - November	1,373	6.80	838	5.24	163	2.00	-	-
Distributions paid - December	1,320	6.56	1,400	8.41	175	1.96	-	-
Distributions paid - January	1,300	6.43	1,406	8.21	200	2.02	-	-
Distributions paid - February	1,195	5.69	1,507	8.48	196	1.80	-	-
Distributions paid - March	1,267	5.90	2,000	11.35	271	2.07	-	-
Distributions paid - April	1,150	5.43	2,700	15.19	282	1.95	-	-
Distributions paid - May	1,265	5.93	3,164	17.48	327	2.10	21	2.64
Distributions payable - June	1,150	5.39	5,447	30.08	382	2.33	26	2.00
<b>Total distributions</b>	<b>15,342</b>	<b>75.65</b>	<b>21,638</b>	<b>126.03</b>	<b>2,320</b>	<b>24.10</b>	<b>47</b>	<b>4.64</b>

  

	British Pound ETF <sup>2</sup>				Euro ETF			
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2022	2022	2021	2021	2022	2022	2021	2021
	\$'000	CPU	\$'000	CPU	\$ <sup>3</sup>	CPU	\$ <sup>3</sup>	CPU
Distributions payable - June	-	-	84	9.15	-	-	-	-
<b>Total distributions</b>	<b>-</b>	<b>-</b>	<b>84</b>	<b>9.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>1</sup> The comparison period for the Australian Major Bank Hybrids Index ETF was 1 September 2020 to 30 June 2021.

<sup>2</sup> BetaShares British Pound ETF is a yearly distributing fund.

<sup>3</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

4 Distributions to unitholders (continued)

	U.S. Treasury Bond 20+ Year ETF - Currency Hedged				Sustainability Leaders Diversified Bond ETF - Currency Hedged			
	30 June 2022	30 June 2022	30 June 2021	30 June 2021	30 June 2022	30 June 2022	30 June 2021	30 June 2021
	\$ <sup>1</sup>	CPU	\$ <sup>1</sup>	CPU	\$'000	CPU	\$'000	CPU
Distributions paid - September	7,000	4.36	3,781	4.75	167	2.48	110	3.20
Distributions paid - December	9,000	5.61	3,990	5.00	222	3.00	105	2.57
Distributions paid - March	14,000	5.82	8,674	5.43	201	2.58	75	1.57
Distributions payable - June	18,200	4.54	72,695	45.40	2,242	27.81	2,855	48.80
<b>Total distributions</b>	<b>48,200</b>	<b>20.33</b>	<b>89,140</b>	<b>60.58</b>	<b>2,832</b>	<b>35.87</b>	<b>3,145</b>	<b>56.14</b>

  

	U.S. Dollar ETF <sup>2</sup>			
	30 June 2022	30 June 2022	30 June 2021	30 June 2021
	\$'000	CPU	\$'000	CPU
Distributions payable - June	-	-	3,104	14.83
<b>Total distributions</b>	<b>-</b>	<b>-</b>	<b>3,104</b>	<b>14.83</b>

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

During the period, some distributions were satisfied by the issue of units (reinvestment). See note 3.

<sup>1</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

<sup>2</sup> BetaShares U.S. Dollar ETF is a yearly distributing fund.

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

The Fund measures and recognises the following assets and liabilities at fair value on a recurring basis:

	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>	Australian Government Bond ETF		Australian Investment Grade Corporate Bond ETF	
	30 June 2022	30 June 2021	30 June 2022	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>							
Floating rate notes	558,943	671,863	-	-	-	-	-
Fixed interest securities	-	-	19,190	420,607	179,422	453,669	487,364
<b>Total financial assets at fair value through profit or loss</b>	<b>558,943</b>	<b>671,863</b>	<b>19,190</b>	<b>420,607</b>	<b>179,422</b>	<b>453,669</b>	<b>487,364</b>
<b>Financial liabilities at fair value through profit or loss</b>							
Futures	-	-	-	36	-	-	-
<b>Total financial liabilities at fair value through profit or</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Australian Major Bank Hybrids Index ETF		U.S. Treasury Bond 20+ Year ETF - Currency Hedged		Sustainability Leaders Diversified Bond ETF - Currency Hedged	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$ <sup>2</sup>	\$ <sup>2</sup>	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>						
Preference shares	158,149	-	-	-	-	-
Foreign currency contracts	-	-	25,912	-	-	-
Bond futures	-	-	-	-	-	10
Listed unit trusts	-	13,043	-	-	-	-
Floating rate notes	-	-	-	-	-	-
Fixed interest securities	-	-	7,110,176	3,638,361	171,498	141,371
<b>Total financial assets at fair value through profit or loss</b>	<b>158,149</b>	<b>13,043</b>	<b>7,136,088</b>	<b>3,638,361</b>	<b>171,498</b>	<b>141,381</b>
<b>Financial liabilities at fair value through profit or loss</b>						
Foreign currency contracts	-	-	180,323	46,145	1,975	358
<b>Total financial liabilities at fair value through profit or</b>	<b>-</b>	<b>-</b>	<b>180,323</b>	<b>46,145</b>	<b>1,975</b>	<b>358</b>

An overview of the fair value measurements relating to financial instruments at fair value through profit or loss is included in Note 10 to the financial statements.

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund was registered on 29 July 2021 and commenced trading on 2 February 2022.

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

6 Other receivables

	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>		Australian Government Bond ETF	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Applications receivable	-	-	1,760	-	-	-
Interest receivable	1,193	824	131	-	1,661	810
GST receivable	24	35	-	-	12	9
<b>Total other receivables</b>	<b>1,217</b>	<b>859</b>	<b>1,891</b>	<b>-</b>	<b>1,673</b>	<b>819</b>

	Australian High Interest Cash ETF		Australian Investment Grade Corporate		Australian Major Bank Hybrids Index ETF	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Applications receivable	-	30,050	-	-	-	-
Dividends/Distributions receivable	-	-	-	-	-	7
Interest receivable	1,541	941	3,701	3,296	-	-
GST receivable	71	94	21	28	8	-
<b>Total other receivables</b>	<b>1,612</b>	<b>31,085</b>	<b>3,722</b>	<b>3,324</b>	<b>8</b>	<b>7</b>

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund was registered on 29 July 2021 and commenced trading on 2 February 2022.

6 Other receivables (continued)

	British Pound ETF		Euro ETF		U.S. Treasury Bond 20+ Year ETF - Currency Hedged	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>
Interest receivable	10	-	-	-	46,210	19,160
GST receivable	1	1	735	920	271	241
<b>Total other receivables</b>	<b>11</b>	<b>1</b>	<b>735</b>	<b>920</b>	<b>46,481</b>	<b>19,401</b>

	Sustainability Leaders Diversified Bond ETF - Currency Hedged		U.S. Dollar ETF	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000
Interest receivable	931	783	130	12
GST receivable	16	16	11	15
<b>Total other receivables</b>	<b>947</b>	<b>799</b>	<b>141</b>	<b>27</b>

<sup>1</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

7 Other payables

	Australian Bank Senior		Australian Composite		Australian Government	
	30 June	30 June	30 June		30 June	30 June
	2022	2021	2022		2022	2021
	\$'000	\$'000	\$'000		\$'000	\$'000
Due to brokers - payables for securities purchased	-	-	1,916		-	-
Management fees payable	88	112	2		65	30
Expense recovery fee payable	-	-	-		10	5
Other payables	18	24	-		3	2
<b>Total other payables</b>	<b>106</b>	<b>136</b>	<b>1,918</b>		<b>78</b>	<b>37</b>

	Australian High		Australian Investment		Australian Major Bank	
	Interest Cash ETF		Grade Corporate		Hybrids Index ETF	
	30 June	30 June	30 June	30 June	30 June	30 June
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Management fees payable	269	343	84	95	45	4
Expense recovery fee payable	-	-	11	13	-	-
Other payables	17	10	16	56	3	-
<b>Total other payables</b>	<b>286</b>	<b>353</b>	<b>111</b>	<b>164</b>	<b>48</b>	<b>4</b>

7 Other payables (continued)

	British Pound ETF		Euro ETF		U.S. Treasury Bond 20+ Year ETF - Currency Hedged	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Management fees payable	5	6	3,459	3,479	1,244	609
Expense recovery fee payable	-	-	-	-	196	96
Other payables	-	-	5,667	5,512	626	290
<b>Total other payables</b>	<b>5</b>	<b>6</b>	<b>9,126</b>	<b>8,991</b>	<b>2,066</b>	<b>995</b>

	Sustainability Leaders Diversified Bond ETF - Currency Hedged		U.S. Dollar ETF	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000
Management fees payable	55	48	52	54
Expense recovery fee payable	14	12	-	-
Other payables	2	-	2	2
<b>Total other payables</b>	<b>71</b>	<b>60</b>	<b>54</b>	<b>56</b>

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

	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>		Australian Government Bond ETF	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>						
Profit/(loss)	(7,703)	10,336	(577)		(47,742)	(1,321)
Proceeds from sale of financial instruments at fair value through profit or loss	764,276	233,182	180		133,391	63,689
Payments for the purchase of financial instruments at fair value through profit or loss	(663,588)	(191,247)	(18,117)		(427,413)	(227,918)
Net (gains)/losses on financial instruments at fair value through profit or loss	12,233	(5,238)	662		52,874	3,468
Net change in interest receivable	(358)	192	-		(851)	(714)
Net change in receivables and other assets	-	3	(131)		(3)	(8)
Net change in payables and other liabilities	(30)	(13)	2		41	33
<b>Net cash inflow/(outflow) from operating activities</b>	<b>104,830</b>	<b>47,215</b>	<b>(17,981)</b>		<b>(289,703)</b>	<b>(162,771)</b>

	Australian High Interest Cash ETF		Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>						
Profit/(loss)	7,114	10,638	(89,352)	17,554	(3,963)	115
Proceeds from sale of financial instruments at fair value through profit or loss	-	-	276,515	399,629	34,386	725
Payments for the purchase of financial instruments at fair value through profit or loss	-	-	(347,641)	(539,154)	(185,500)	(13,709)
Net (gains)/losses on financial instruments at fair value through profit or loss	-	-	104,125	(4,420)	6,008	(59)
Net change in dividends/distributions receivable	-	-	-	3	-	(7)
Net change in interest receivable	-	309	(405)	(470)	-	-
Net change in receivables and other assets	(577)	(21)	7	(8)	(1)	-
Net foreign exchange (gains)/losses	-	-	-	-	-	-
Net change in payables and other liabilities	(67)	39	(53)	66	44	4
<b>Net cash inflow/(outflow) from operating activities</b>	<b>6,470</b>	<b>10,965</b>	<b>(56,804)</b>	<b>(126,800)</b>	<b>(149,026)</b>	<b>(12,931)</b>

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund was registered on 29 July 2021 and commenced trading on 2 February 2022.

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

	British Pound ETF		Euro ETF		U.S. Treasury Bond 20+ Year ETF - Currency Hedged	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>
<b>Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>						
Profit/(loss)	(557)	296	-	-	(1,291,892)	(234,597)
Increase/(decrease) in net assets attributable to unitholders	-	-	(573,128)	(214,230)	-	-
Proceeds from sale of financial instruments at fair value through profit or loss	-	-	-	-	33,883,319	707,316
Payments for the purchase of financial instruments at fair value through profit or loss	-	-	-	-	(38,620,303)	(2,621,272)
Net (gains)/losses on financial instruments at fair value through profit or loss	-	-	-	-	1,715,882	251,835
Net change in interest receivable	-	-	-	-	(27,050)	(8,810)
Net change in receivables and other assets	(10)	1	185	231	(30)	(187)
Net foreign exchange (gains)/losses	529	(361)	457,905	134,138	(342,707)	26,989
Net change in payables and other liabilities	(1)	(2)	135	(693)	1,071	583
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(39)</b>	<b>(66)</b>	<b>(114,903)</b>	<b>(80,554)</b>	<b>(4,681,710)</b>	<b>(1,878,143)</b>

	Sustainability Leaders Diversified Bond ETF - Currency Hedged		U.S. Dollar ETF	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000
<b>Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>				
Profit/(loss)	(25,336)	(1,171)	11,545	(21,309)
Proceeds from sale of financial instruments at fair value through profit or loss	46,782	19,803	-	-
Payments for the purchase of financial instruments at fair value through profit or loss	(103,210)	(104,529)	-	-
Net (gains)/losses on financial instruments at fair value through profit or loss	35,503	2,488	-	-
Net change in interest receivable	(148)	(398)	-	46
Net change in receivables and other assets	-	(9)	(114)	17
Net foreign exchange (gains)/losses	(7,615)	426	(11,887)	20,895
Net change in payables and other liabilities	11	33	(2)	(71)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(54,013)</b>	<b>(83,357)</b>	<b>(458)</b>	<b>(422)</b>

<sup>1</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

## 9 Financial risk management

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

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

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

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

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

### (a) Market risk

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

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

#### (i) Price risk

BetaShares Australian Major Bank Hybrids Index ETF is exposed to equity securities and derivatives price risk. This arises from investments held by the Fund for which prices in the future are uncertain. Equity securities and derivatives are classified on the statements of financial position as at fair value through profit or loss. All securities investments present a risk of loss of capital. The Fund's overall market positions are reported to the Board on a regular basis.

## 9 Financial risk management

### (a) Market risk (continued)

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

##### Sensitivity analysis

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

	Australian Major Bank Hybrids Index ETF	
	30 June 2022 \$'000	30 June 2021 \$'000
+10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	15,815	1,304
-10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	(15,815)	(1,304)

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

#### (ii) Interest rate risk

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

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

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

## 9 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Interest rate risk (continued)

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

	Floating interest rate	Fixed interest rate	Non- interest bearing	Total	Floating interest rate	Fixed interest rate	Non- interest bearing	Total
	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2021 \$'000
<b>Australian Bank Senior Floating Rate Bond ETF</b>								
<b>Assets</b>								
Cash and cash equivalents	566	-	-	566	1,009	-	-	1,009
Financial assets at fair value through profit or loss	558,943	-	-	558,943	671,863	-	-	671,863
Other receivables	-	-	1,217	1,217	-	-	859	859
<b>Liabilities</b>								
Distributions payable	-	-	(999)	(999)	-	-	(1,137)	(1,137)
Other payables	-	-	(106)	(106)	-	-	(136)	(136)
<b>Net exposure</b>	<b>559,509</b>	<b>-</b>	<b>112</b>	<b>559,621</b>	<b>672,872</b>	<b>-</b>	<b>(414)</b>	<b>672,458</b>
<b>Australian Composite Bond ETF<sup>1</sup></b>								
	Floating interest rate	Fixed interest rate	Non- interest bearing	Total				
	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2021 \$'000
<b>Assets</b>								
Cash and cash equivalents	223	-	-	223	-	-	-	-
Financial assets at fair value through profit or loss	-	19,190	-	19,190	-	-	-	-
Application receivable	-	-	1,760	1,760	-	-	-	-
Other receivables	131	-	-	131	-	-	-	-
<b>Liabilities</b>								
Distributions payable	-	-	(42)	(42)	-	-	-	-
Due to brokers - payable for securities purchased	-	-	(1,916)	(1,916)	-	-	-	-
Other payables	-	-	(2)	(2)	-	-	-	-
<b>Net exposure</b>	<b>354</b>	<b>19,190</b>	<b>(200)</b>	<b>19,344</b>				

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund was registered on 29 July 2021 and commenced trading on 2 February 2022.

**9 Financial risk management (continued)**

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

*(ii) Interest rate risk (continued)*

Australian Government Bond ETF	Floating interest rate	Fixed interest rate	Non- interest bearing	Total	Floating interest rate	Fixed interest rate	Non- interest bearing	Total
	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2021 \$'000
<b>Assets</b>								
Cash and cash equivalents	5,639	-	-	5,639	476	-	-	476
Financial assets at fair value through profit or loss	-	420,607	-	420,607	-	179,422	-	179,422
Other receivables	-	-	1,673	1,673	-	-	819	819
<b>Liabilities</b>								
Financial liabilities at fair value through profit and loss	-	-	(36)	(36)	-	-	-	-
Distributions payable	-	-	(708)	(708)	-	-	(140)	(140)
Other payables	-	-	(78)	(78)	-	-	(37)	(37)
<b>Net exposure</b>	<b>5,639</b>	<b>420,607</b>	<b>851</b>	<b>427,097</b>	<b>476</b>	<b>179,422</b>	<b>642</b>	<b>180,540</b>
Australian High Interest Cash ETF	Floating interest rate	Fixed interest rate	Non- interest bearing	Total	Floating interest rate	Fixed interest rate	Non- interest bearing	Total
	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2021 \$'000
<b>Assets</b>								
Cash and cash equivalents	1,724,497	50,000	-	1,774,497	2,038,165	50,000	-	2,088,165
Other receivables	-	-	1,612	1,612	-	-	31,085	31,085
<b>Liabilities</b>								
Distributions payable	-	-	(1,309)	(1,309)	-	-	(616)	(616)
Other payables	-	-	(286)	(286)	-	-	(353)	(353)
<b>Net exposure</b>	<b>1,724,497</b>	<b>50,000</b>	<b>17</b>	<b>1,774,514</b>	<b>2,038,165</b>	<b>50,000</b>	<b>30,116</b>	<b>2,118,281</b>

9 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2021 \$'000
<b>Australian Investment Grade Corporate Bond ETF</b>								
<b>Assets</b>								
Cash and cash equivalents	7,544	-	-	7,544	593	-	-	593
Financial assets at fair value through profit and loss	-	453,669	-	453,669	-	487,364	-	487,364
Due from brokers - receivable for securities sold	-	-	696	696	-	-	-	-
Other receivables	-	-	3,722	3,722	-	-	3,324	3,324
<b>Liabilities</b>								
Distributions payable	-	-	(1,150)	(1,150)	-	-	(5,447)	(5,447)
Other payables	-	-	(111)	(111)	-	-	(164)	(164)
<b>Net exposure</b>	<b>7,544</b>	<b>453,669</b>	<b>3,157</b>	<b>464,370</b>	<b>593</b>	<b>487,364</b>	<b>(2,287)</b>	<b>485,670</b>
<b>British Pound ETF</b>								
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2021 \$'000
<b>Assets</b>								
Cash and cash equivalents	13,179	-	-	13,179	13,321	-	-	13,321
Other receivables	-	-	11	11	-	-	1	1
<b>Liabilities</b>								
Other payables	-	-	(5)	(5)	-	-	(6)	(6)
<b>Net exposure</b>	<b>13,179</b>	<b>-</b>	<b>6</b>	<b>13,185</b>	<b>13,321</b>	<b>-</b>	<b>(5)</b>	<b>13,316</b>

9 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

	Floating interest rate	Fixed interest rate	Non- interest bearing	Total	Floating interest rate	Fixed interest rate	Non- interest bearing	Total
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2021	30 June 2021	30 June 2021	30 June 2021
	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>
<b>Euro ETF</b>								
<b>Assets</b>								
Cash and cash equivalents	9,455,885	-	-	9,455,885	8,822,146	-	-	8,822,146
Other receivables	-	-	735	735	-	-	920	920
<b>Liabilities</b>								
Distributions payable	-	-	-	-	-	-	-	-
Other payables	-	-	(9,126)	(9,126)	-	-	(8,991)	(8,991)
<b>Net exposure</b>	<b>9,455,885</b>	<b>-</b>	<b>(8,391)</b>	<b>9,447,494</b>	<b>8,822,146</b>	<b>-</b>	<b>(8,071)</b>	<b>8,814,075</b>
	Floating interest rate	Fixed interest rate	Non- interest bearing	Total	Floating interest rate	Fixed interest rate	Non- interest bearing	Total
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2021	30 June 2021	30 June 2021	30 June 2021
	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>
<b>U.S. Treasury Bond 20+ Year ETF- Currency Hedged</b>								
<b>Assets</b>								
Cash and cash equivalents	28,726	-	-	28,726	16,211	-	-	16,211
Financial assets at fair value through profit and loss	-	7,110,176	25,912	7,136,088	-	3,638,361	-	3,638,361
Other receivables	-	-	46,481	46,481	-	-	19,401	19,401
<b>Liabilities</b>								
Financial liabilities at fair value through profit and loss	-	-	(180,323)	(180,323)	-	-	(46,145)	(46,145)
Distributions payable	-	-	(18,200)	(18,200)	-	-	(72,695)	(72,695)
Other payables	-	-	(2,066)	(2,066)	-	-	(995)	(995)
<b>Net exposure</b>	<b>28,726</b>	<b>7,110,176</b>	<b>(128,196)</b>	<b>7,010,706</b>	<b>16,211</b>	<b>3,638,361</b>	<b>(100,434)</b>	<b>3,554,138</b>

<sup>1</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

9 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2021 \$'000	30 June 2021 \$'000
<b>Sustainability Leaders Diversified Bond ETF</b>								
<b>- Currency Hedged</b>								
<b>Assets</b>								
Cash and cash equivalents	2,425	-	-	2,425	6,019	-	-	6,019
Financial assets at fair value through profit and loss	3,790	167,708	-	171,498	-	141,381	-	141,381
Other receivables	-	-	947	947	-	-	799	799
<b>Liabilities</b>								
Financial liabilities at fair value through profit and loss	-	-	(1,975)	(1,975)	-	-	(358)	(358)
Distributions payable	-	-	(2,242)	(2,242)	-	-	(2,855)	(2,855)
Other payables	-	-	(71)	(71)	-	-	(60)	(60)
<b>Net exposure</b>	<b>6,215</b>	<b>167,708</b>	<b>(3,341)</b>	<b>170,582</b>	<b>6,019</b>	<b>141,381</b>	<b>(2,474)</b>	<b>144,926</b>
<b>U.S. Dollar ETF</b>								
<b>Assets</b>								
Cash and cash equivalents	148,838	-	-	148,838	139,949	-	-	139,949
Other receivables	-	-	141	141	-	-	27	27
<b>Liabilities</b>								
Distributions payable	-	-	-	-	-	-	-	-
Other payables	-	-	(54)	(54)	-	-	(56)	(56)
<b>Net exposure</b>	<b>148,838</b>	<b>-</b>	<b>87</b>	<b>148,925</b>	<b>139,949</b>	<b>-</b>	<b>(29)</b>	<b>139,920</b>

## 9 Financial risk management (continued)

### (a) Market risk (continued)

#### Sensitivity analysis - Interest rate risk

The table below summarises the sensitivities of the interest rate risk. The analysis is based on the assumption that interest rates increase or decrease by a "predetermined basis points" from the period end rates with all other variables held constant. The impact mainly arises from changes in the fair value of debt securities. The "predetermined basis points" for 30 June 2022 and 30 June 2021 are noted in the table below. Management have considered the movements for each investment asset type to be reasonable given the Funds' economic environment.

	Impact on net assets attributable to unitholders and profit/(loss)					
	Currencies	Sensitivity rate (basis points)	Increase	Decrease	Increase	Decrease
			30 June 2022	30 June 2022	30 June 2021	30 June 2021
Australian Bank Senior Floating Rate Bond ETF (\$000)	Australian Dollars	100*	4,976	(4,976)	1,464	(1,464)
Australian Composite Bond ETF (\$000) <sup>1</sup>	Australian Dollars	100*	(1,342)	1,342	-	-
Australian Government Bond ETF (\$000)	Australian Dollars	100*	(39,098)	39,098	(3,376)	3,376
Australian High Interest Cash ETF (\$000)	Australian Dollars	100*	17,745	(17,745)	5,220	(5,220)
Australian Investment Grade Corporate Bond ETF (\$'000)	Australian Dollars	100*	(34,097)	34,097	(8,042)	8,042
British Pound ETF (\$000)	British pounds	100*	132	(132)	33	(33)
Euro ETF (\$)²	Euros	100*	94,559	(94,559)	22,055	(22,055)
U.S. Treasury Bond 20+ Year ETF - Currency Hedged (\$) <sup>2</sup>	Australian Dollars	100*	(1,531,300)	1,531,300	(163,852)	163,852
Sustainability Leaders Diversified Bond ETF- Currency Hedged (\$000)	Australian Dollars	100*	(12,451)	12,451	(2,481)	2,481
U.S. Dollar ETF (\$000)	U.S. Dollars	100*	1,488	(1,488)	350	(350)

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund was registered on 29 July 2021 and commenced trading on 2 February 2022.

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

\*25 basis points used for 30 June 2021

## 9 Financial risk management (continued)

### (a) Market risk (continued)

#### (iii) Foreign exchange risk

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

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

	British Pound ETF				Euro ETF			
	30 June 2022	30 June 2022	30 June 2021	30 June 2021	30 June 2022	30 June 2022	30 June 2021	30 June 2021
	Currency	\$'000	Currency	\$'000	Currency	\$ <sup>1</sup>	Currency	\$ <sup>1</sup>
	GBP*	13,172	GBP*	13,302	EUR**	9,454,433	EUR**	8,810,943
<b>Net foreign currency exposure</b>		<u>13,172</u>		<u>13,302</u>		<u>9,454,433</u>		<u>8,810,943</u>

  

	U.S. Treasury Bond 20+ Year ETF - Currency Hedged				Sustainability Leaders Diversified Bond ETF - Currency Hedged			
	30 June 2022	30 June 2022	30 June 2021	30 June 2021	30 June 2022	30 June 2022	30 June 2021	30 June 2021
	Currency	\$ <sup>1</sup>	Currency	\$ <sup>1</sup>	Currency	\$'000	Currency	\$'000
	USD	(161,575)	USD	43,375	USD	(1,803)	USD	(39)
	EUR	(116,849)	JPY	8,098				
	GBP	(96,307)	GBP	17,384				
	Others	(45,939)	Others	3,384	EUR	(5,194)	EUR	331
<b>Net foreign currency exposure</b>		<u>(420,670)</u>		<u>72,241</u>		<u>(6,997)</u>		<u>292</u>

<sup>1</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

\* This Fund only has GBP exposure.

\*\* This Fund only has EUR exposure.

**9 Financial risk management (continued)**

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

*(iii) Foreign exchange risk (continued)*

	U.S. Dollar ETF			
	30 June 2022	30 June 2021	30 June 2021	30 June 2021
Currency	\$'000	\$'000	Currency	\$'000
USD***	14,836	-	USD***	139,942
Others	<u>2</u>	<u>-</u>	Others	<u>-</u>
<b>Net foreign currency exposure</b>	<b><u>14,838</u></b>	<b><u>-</u></b>		<b><u>139,942</u></b>

*Sensitivity analysis - Foreign exchange risk*

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

	British Pound ETF		Euro ETF		U.S. Treasury Bond 20+ Year ETF - Currency Hedged	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Impact on profit/(loss) from operating activities and net assets attributable to unitholders	\$'000	\$'000	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>
10% AUD appreciation against foreign currency (2021: 10%)	<u>(1,317)</u>	<u>(1,330)</u>	<u>(945,443)</u>	<u>(881,094)</u>	<u>(720,903)</u>	<u>(367,373)</u>

	Sustainability Leaders Diversified Bond ETF - Currency Hedged		U.S. Dollar ETF	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Impact on profit/(loss) from operating activities and net assets attributable to unitholders	\$'000	\$'000	\$'000	\$'000
10% AUD appreciation against foreign currency (2021: 10%)	<u>(8,681)</u>	<u>(7,150)</u>	<u>(1,484)</u>	<u>(13,994)</u>

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

<sup>1</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

\*\*\*This Fund only has USD exposure.

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

Rating	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>	Australian Government Bond ETF	
	30 June 2022	30 June 2021	30 June 2022	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000	\$'000
AAA	-	-	10,818	324,334	138,508
AA+ to AA-	440,290	537,272	3,455	96,273	40,914
A+ to A-	63,690	67,443	1,935	-	-
BBB+ to BBB-	54,963	67,148	2,982	-	-
<b>Total</b>	<b>558,943</b>	<b>671,863</b>	<b>19,190</b>	<b>420,607</b>	<b>179,422</b>

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund was registered on 29 July 2021 and commenced trading on 2 February 2022.

## 9 Financial risk management (continued)

### (b) Credit risk (continued)

#### (iii) Debt securities (continued)

Rating	Australian Investment Grade Corporate Bond ETF		U.S. Treasury Bond 20+ Year ETF - Currency Hedged		Sustainability Leaders Diversified Bond ETF - Currency Hedged	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$ <sup>1</sup>	\$ <sup>1</sup>	\$'000	\$'000
AAA	-	-	2,880,051	518,966	60,238	33,150
AA+ to AA-	-	-	2,170,075	2,041,097	74,844	81,163
A+ to A-	120,418	92,865	1,518,556	808,247	18,778	15,217
BBB+ to BBB-	333,251	394,499	541,494	270,051	17,638	11,329
Non Rated	-	-	-	-	-	512
<b>Total</b>	<b>453,669</b>	<b>487,364</b>	<b>7,110,176</b>	<b>3,638,361</b>	<b>171,498</b>	<b>141,371</b>

#### (iv) Other

At 30 June 2022, the custody of the Funds' assets are mainly concentrated with one counterparty, namely Citigroup Pty Ltd. Citigroup Pty Ltd is a subsidiary of a company listed on a major securities exchange, and at 30 June 2022 had a credit rating of A by Standard & Poor's (S&P) (30 June 2021 AA-). At 30 June 2022, substantially all cash and cash equivalents, balances due from brokers and investments are held in custody by Citigroup Pty Ltd.

### (c) Liquidity risk

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

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

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

<sup>1</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

## 9 Financial risk management (continued)

### (c) Liquidity risk (continued)

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

	Australian Bank Senior Floating Rate Bond ETF							
	On demand	Less than	Greater than	Total	On demand	Less than	Greater than	Total
	30 June	6 months	6 months		30 June	6 months	6 months	
	2022	30 June	30 June	30 June	2021	30 June	30 June	30 June
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Distributions payable	-	999	-	999	-	1,137	-	1,137
Other payables	-	106	-	106	-	136	-	136
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>1,105</b>	<b>-</b>	<b>1,105</b>	<b>-</b>	<b>1,273</b>	<b>-</b>	<b>1,273</b>

	Australian Composite Bond ETF <sup>1</sup>			
	On demand	Less than	Greater than	Total
	30 June	6 months	6 months	
	2022	30 June	30 June	30 June
\$'000	\$'000	\$'000	\$'000	
Distributions payable	-	42	-	42
Other payables	-	1,918	-	1,918
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>1,960</b>	<b>-</b>	<b>1,960</b>

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund was registered on 29 July 2021 and commenced trading on 2 February 2022.

9 Financial risk management (continued)

(c) Liquidity risk (continued)

	Australian Government Bond ETF							
	On demand	Less than	Greater than	Total	On demand	Less than	Greater than	Total
	30 June	6 months	6 months		30 June	6 months	6 months	
	2022	2022	2022	2022	2021	2021	2021	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Distributions payable	-	708	-	708	-	140	-	140
Other payables	-	78	-	78	-	37	-	37
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>786</b>	<b>-</b>	<b>786</b>	<b>-</b>	<b>177</b>	<b>-</b>	<b>177</b>
Foreign currency contracts	-	36	-	36	-	-	-	-
<b>Net settled derivatives</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Australian High Interest Cash ETF							
	On demand	Less than	Greater than	Total	On demand	Less than	Greater than	Total
	30 June	6 months	6 months		30 June	6 months	6 months	
	2022	2022	2022	2022	2021	2021	2021	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Distributions payable	-	1,309	-	1,309	-	616	-	616
Other payables	-	286	-	286	-	353	-	353
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>1,595</b>	<b>-</b>	<b>1,595</b>	<b>-</b>	<b>969</b>	<b>-</b>	<b>969</b>
	Australian Investment Grade Corporate Bond ETF							
	On demand	Less than	Greater than	Total	On demand	Less than	Greater than	Total
	30 June	6 months	6 months		30 June	6 months	6 months	
	2022	2022	2022	2022	2021	2021	2021	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Distributions payable	-	1,150	-	1,150	-	5,447	-	5,447
Other payables	-	111	-	111	-	164	-	164
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>1,261</b>	<b>-</b>	<b>1,261</b>	<b>-</b>	<b>5,611</b>	<b>-</b>	<b>5,611</b>



9 Financial risk management (continued)

(c) Liquidity risk (continued)

	U.S. Treasury Bond 20+ Year ETF - Currency Hedged							
	On demand	Less than	Greater than	Total	On demand	Less than	Greater than	Total
	30 June	6 months	6 months	30 June	30 June	6 months	6 months	30 June
	2022	30 June	30 June	2022	2021	30 June	30 June	2021
	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>
Distributions payable	-	18,200	-	18,200	-	72,695	-	72,695
Other payables	-	2,066	-	2,066	-	995	-	995
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>20,266</b>	<b>-</b>	<b>20,266</b>	<b>-</b>	<b>73,690</b>	<b>-</b>	<b>73,690</b>
Foreign currency contracts	-	180,323	-	180,323	-	46,145	-	46,145
<b>Net settled derivatives</b>	<b>-</b>	<b>180,323</b>	<b>-</b>	<b>180,323</b>	<b>-</b>	<b>46,145</b>	<b>-</b>	<b>46,145</b>

  

	Sustainability Leaders Diversified Bond ETF - Currency Hedged							
	On demand	Less than	Greater than	Total	On demand	Less than	Greater than	Total
	30 June	6 months	6 months	30 June	30 June	6 months	6 months	30 June
	2022	30 June	30 June	2022	2021	30 June	30 June	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Distributions payable	-	2,242	-	2,242	-	2,855	-	2,855
Other payables	-	71	-	71	-	60	-	60
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>2,313</b>	<b>-</b>	<b>2,313</b>	<b>-</b>	<b>2,915</b>	<b>-</b>	<b>2,915</b>
Foreign currency contracts	-	1,975	-	1,975	-	358	-	358
<b>Net settled derivatives</b>	<b>-</b>	<b>1,975</b>	<b>-</b>	<b>1,975</b>	<b>-</b>	<b>358</b>	<b>-</b>	<b>358</b>

<sup>1</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

## 9 Financial risk management (continued)

### (c) Liquidity risk (continued)

	U.S. Dollar ETF							
	On demand	Less than	Greater than	Total	On demand	Less than	Greater than	
	30 June	6 months	6 months	30 June	30 June	6 months	6 months	
	2022	30 June	30 June	2022	2021	30 June	30 June	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Other payables	-	54	-	54	-	56	-	56
Contractual cash flows (excluding net settled derivatives)	-	54	-	54	-	56	-	56

## 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
	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>
<b>U.S. Treasury Bond 20+ Year ETF- Currency Hedged</b>						
As at 30 June 2022						
Financial liabilities						
Foreign currency contracts	(180,232)	25,912	(154,320)	-	-	(154,320)
Total	(180,232)	25,912	(154,320)	-	-	(154,320)
As at 30 June 2021						
Financial liabilities						
Foreign currency contracts	(46,449)	304	(46,145)	-	-	(46,145)
Total	(46,449)	304	(46,145)	-	-	(46,145)

<sup>1</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

**10 Offsetting financial assets and financial liabilities (continued)**

	Effects of offsetting on the statements of financial position			Related amounts not offset in the statements of financial position		
	Gross amounts of financial assets/ (liabilities)	Gross amounts set off in the statements of financial position	Net amount of financial assets/ (liabilities) presented in the statements of financial position	Financial instruments (including non- cash collateral)	Stock and cash collateral pledged	Net amounts
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Sustainability Leaders Diversified Bond ETF</b>						
<b>- Currency Hedged</b>						
<b>As at 30 June 2022</b>						
<b>Financial assets</b>						
Bond futures	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
<b>As at 30 June 2021</b>						
<b>Financial assets</b>						
Bond futures	10	-	10	-	-	10
<b>Total</b>	10	-	10	-	-	10
<b>As at 30 June 2022</b>						
<b>Financial liabilities</b>						
Foreign currency contracts	(1,975)	-	(1,975)	-	-	(1,975)
<b>Total</b>	(1,975)	-	(1,975)	-	-	(1,975)
<b>As at 30 June 2021</b>						
<b>Financial liabilities</b>						
Foreign currency contracts	20	(378)	(358)	-	-	(358)
<b>Total</b>	20	(378)	(358)	-	-	(358)

## 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 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.

#### (iii) Recognised fair value measurements

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

Australian Bank Senior Floating Rate Bond ETF								
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	30 June							
	2022	2022	2022	2022	2021	2021	2021	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Floating rate notes	-	558,943	-	558,943	-	671,863	-	671,863
<b>Total</b>	-	558,943	-	558,943	-	671,863	-	671,863

Australian Composite Bond ETF <sup>1</sup>				
	Level 1	Level 2	Level 3	Total
	30 June	30 June	30 June	30 June
	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
Financial assets at fair value through profit or loss:				
Fixed interest securities	-	19,190	-	19,190
<b>Total</b>	-	19,190	-	19,190

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund was registered on 29 July 2021 and commenced trading on 2 February 2022.

**11 Fair value measurements (continued)**

Fair value estimation (continued)

(iii) Recognised fair value measurements (continued)

Australian Government Bond ETF								
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	30 June							
	2022	2022	2022	2022	2021	2021	2021	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Fixed interest securities	-	420,607	-	420,607	-	179,422	-	179,422
<b>Total</b>	-	420,607	-	420,607	-	179,422	-	179,422

**Financial liabilities**

Financial liabilities at fair value through profit or loss:

Futures	36	-	-	36	-	-	-	-
<b>Total</b>	36	-	-	36	-	-	-	-

Australian Investment Grade Corporate Bond ETF								
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	30 June							
	2022	2022	2022	2022	2021	2021	2021	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Fixed interest securities	-	453,669	-	453,669	-	487,364	-	487,364
<b>Total</b>	-	453,669	-	453,669	-	487,364	-	487,364

Australian Major Bank Hybrids Index ETF								
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	30 June							
	2022	2022	2022	2022	2021	2021	2021	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Listed securities	-	-	-	-	13,043	-	-	13,043
Preference shares	158,149	-	-	158,149	-	-	-	-
<b>Total</b>	158,149	-	-	158,149	13,043	-	-	13,043

## 11 Fair value measurements (continued)

### Fair value estimation (continued)

(iii) Recognised fair value measurements (continued)

		U.S. Treasury Bond 20+ Year ETF - Currency Hedged							
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
		30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
		2022	2022	2022	2022	2021	2021	2021	2021
		\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>
<b>Financial assets</b>									
Financial assets at fair value through profit or loss:									
	Foreign currency contracts	-	25,912	-	25,912	-	-	-	-
	Fixed interest securities	-	7,110,176	-	7,110,176	-	3,638,361	-	3,638,361
<b>Total</b>		-	7,136,088	-	7,136,088	-	3,638,361	-	3,638,361
<b>Financial liabilities</b>									
Financial liabilities at fair value through profit or loss:									
	Foreign currency contracts	-	180,323	-	180,323	-	46,145	-	46,145
<b>Total</b>		-	180,323	-	180,323	-	46,145	-	46,145
		Sustainability Leaders Diversified Bond ETF - Currency Hedged							
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
		30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
		2022	2022	2022	2022	2021	2021	2021	2021
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>									
Financial assets at fair value through profit or loss:									
	Bond futures	-	-	-	-	10	-	-	10
	Floating rate notes	-	3,790	-	3,790	-	-	-	-
	Fixed interest securities	-	167,708	-	167,708	-	141,371	-	141,371
<b>Total</b>		-	171,498	-	171,498	10	141,371	-	141,381
<b>Financial liabilities</b>									
Financial liabilities at fair value through profit or loss:									
	Foreign currency contracts	-	1,975	-	1,975	-	358	-	358
<b>Total</b>		-	1,975	-	1,975	-	358	-	358

<sup>1</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

## 11 Fair value measurements (continued)

### Fair value estimation (continued)

#### *(iv) Transfers between levels*

There were no transfers between levels during the period ended 30 June 2022 and 30 June 2021.

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

There were no investments classified as Level 3 within the Fund as at 30 June 2022 and 30 June 2021.

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

The carrying value of receivables and payables are assumed to approximate their fair values.

The carrying value of the net assets attributable to unitholders differs from its fair value (the deemed to be redemption price for individual units) due to differences in valuation inputs. This difference is not material in the current period.

## 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:

	U.S. Treasury Bond 20+ Year ETF - Currency Hedged						Sustainability Leaders Diversified Bond ETF - Currency Hedged					
	Contract/ notional	Assets	Liabilities	Contract/ notional	Assets	Liabilities	Contract/ notional	Assets	Liabilities	Contract/ notional	Assets	Liabilities
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2022	2022	2022	2021	2021	2021	2022	2022	2022	2021	2021	2021
\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$ <sup>1</sup>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Foreign currency contracts	10,335,566	-	154,320	3,555,333	-	46,145	90,004	-	1,975	70,862	-	358
Bond futures	-	-	-	-	-	-	-	-	-	4,180	10	-
<b>Total</b>	<b>10,335,566</b>	<b>-</b>	<b>154,320</b>	<b>3,555,333</b>	<b>-</b>	<b>46,145</b>	<b>90,004</b>	<b>-</b>	<b>1,975</b>	<b>75,042</b>	<b>10</b>	<b>358</b>

<sup>1</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

### 13 Auditor's remuneration

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

	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>		Australian Government Bond ETF		Australian High Interest Cash ETF	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
<b>KPMG</b>	\$	\$	\$		\$	\$	\$	\$
<i>Audit and other assurance service</i>								
Audit and review of financial reports	4,982	4,982	4,252		4,982	4,982	4,982	4,982
Audit of compliance plan	1,230	1,230	1,230		1,230	1,230	1,230	1,230
Total remuneration of audit and other assurance services	6,212	6,212	5,482		6,212	6,212	6,212	6,212

  

	Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF		British Pound ETF		Euro ETF	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
<b>KPMG</b>	\$	\$	\$	\$	\$	\$	\$	\$
<i>Audit and other assurance service</i>								
Audit and review of financial reports	4,982	4,982	4,982	3,752	4,982	4,982	4,982	4,982
Audit of compliance plan	1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230
Total remuneration of audit and other assurance services	6,212	6,212	6,212	4,982	6,212	6,212	6,212	6,212

  

	U.S. Treasury Bond 20+ Year ETF - Currency Hedged		Sustainability Leaders Diversified Bond ETF - Currency Hedged		U.S. Dollar ETF	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
<b>KPMG</b>	\$	\$	\$	\$	\$	\$
<i>Audit and other assurance service</i>						
Audit and review of financial reports	4,982	4,982	4,982	4,982	4,982	4,982
Audit of compliance plan	1,230	1,230	1,230	1,230	1,230	1,230
Total remuneration of audit and other assurance services	6,212	6,212	6,212	6,212	6,212	6,212

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund commenced trading on 2 February 2022.

## 14 Related party transactions

### Responsible Entity

The Responsible Entity of the Funds is BetaShares Capital Ltd (ABN 78 139 566 868), which is a wholly owned subsidiary of BetaShares Financial Group Pty Ltd.

### Key management personnel

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

#### (a) Directors

Mr Alex Vynokur (appointed 21 September 2009)

Mr Jason Gellert (appointed 5 March 2021)

Mr Edward Sippel (appointed 5 March 2021)

#### (b) Other key management personnel

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

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

The Responsible Entity's fees are calculated in accordance with the Funds' Constitutions. The Responsible Entity's fees comprise a management fee and (if applicable) expense recoveries (after taking account of GST and reduced input tax credits), which are calculated as a percentage of the net asset value of the Funds and are disclosed in the statements of comprehensive income. The following table discloses the Responsible Entity's fees for 30 June 2022 and 30 June 2021:

Funds	Management Fee		Expense Recoveries	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	%	%	%	%
Australian Bank Senior Floating Rate Bond ETF	0.19	0.19	0.03	0.03
Australian Composite Bond ETF <sup>1</sup>	0.19	-	-	-
Australian Government Bond ETF	0.19	0.19	0.03	0.03
Australian High Interest Cash ETF	0.18	0.18	-	-
Australian Investment Grade Corporate Bond ETF	0.22	0.22	0.03	0.03
Australian Major Bank Hybrids Index ETF <sup>2</sup>	0.35	0.35	-	-
British Pound ETF	0.45	0.45	-	-
Euro ETF	0.45	0.45	-	-
U.S. Treasury Bond 20+ Year ETF- Currency Hedged	0.19	0.19	0.03	0.03
Sustainability Leaders Diversified Bond ETF- Currency Hedged	0.39	0.39	0.10	0.10
U.S. Dollar ETF	0.45	0.45	-	-

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund was registered on 29 July 2021 and commenced trading on 2 February 2022.

<sup>2</sup> The comparison period for the Australian Major Bank Hybrids Index ETF was 1 September 2020 to 30 June 2021.

#### 14 Related party transactions (continued)

##### (b) Other key management personnel (continued)

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

	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>		Australian Government Bond ETF	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$	\$	\$	\$	\$	\$
Management fees expensed to the Responsible Entity	1,254,131	1,343,140	5,206		467,112	189,873
Management fees payable to the Responsible Entity at reporting date	87,534	112,149	1,532		64,811	30,107
Expense recoveries expensed to the Responsible Entity	198,651	214,145	-		73,754	29,980
Expense recoveries payable to the Responsible Entity at reporting date	13,821	17,708	-		10,233	4,754
Management fees rebate received from the Responsible Entity	12,258	13,109	-		-	-

  

	Australian High Interest Cash ETF		Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF <sup>2</sup>	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$	\$	\$	\$	\$	\$
Management fees expensed to the Responsible Entity	4,180,069	3,934,833	1,112,795	971,929	306,399	4,646
Management fees payable to the Responsible Entity at reporting date	269,401	342,561	83,939	94,778	44,590	3,244
Expense recoveries expensed to the Responsible Entity	-	-	151,772	133,705	-	-
Expense recoveries payable to the Responsible Entity at reporting date	-	-	11,446	12,924	-	-
Management fees rebate received from the Responsible Entity	-	-	6,638	8,575	-	-

<sup>1</sup> There was no comparative amount for Australian Composite Bond ETF. The Fund was registered on 29 July 2021 and commenced trading on 2 February 2022.

<sup>2</sup> The comparison period for the Australian Major Bank Hybrids Index ETF was 1 September 2020 to 30 June 2021.

**14 Related party transactions (continued)**

**(b) Other key management personnel (continued)**

	British Pound ETF		Euro ETF		U.S. Treasury Bond 20+ Year ETF - Currency Hedged	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$	\$	\$	\$	\$	\$
Management fees expensed to the Responsible Entity	65,261	64,958	43,954	35,489	8,431	5,170
Management fees payable to the Responsible Entity at reporting date	4,844	5,252	3,459	3,479	1,244	609
Expense recoveries expensed to the Responsible Entity	-	-	-	-	1,331	816
Expense recoveries payable to the Responsible Entity at reporting date	-	-	-	-	196	96
	Sustainability Leaders Diversified Bond ETF - Currency Hedged		U.S. Dollar ETF			
	30 June 2022	30 June 2021	30 June 2022	30 June 2021		
	\$	\$	\$	\$		
Management fees expensed to the Responsible Entity	669,265	406,641	646,163	800,552		
Management fees payable to the Responsible Entity at reporting date	55,233	47,626	52,428	53,985		
Expense recoveries expensed to the Responsible Entity	171,616	104,267	-	-		
Expense recoveries payable to the Responsible Entity at reporting date	14,162	12,212	-	-		

## 14 Related party transactions (continued)

### Related party unitholdings

The tables below provide details in relation to the investments held by related parties in certain Funds for the relevant financial period:

#### *Australian Bank Senior Floating Rate Bond ETF*

2022

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
BetaShares Capital Ltd	80,000	80,000	2,042,400	0.36	-	-	16,215
BetaShares Ethical Diversified Balanced ETF	-	-	-	-	-	-	-
BetaShares Ethical Diversified High Growth ETF	-	-	-	-	-	-	-
BetaShares Ethical Diversified Growth ETF	-	-	-	-	-	-	-
<b>Total</b>	<b>80,000</b>	<b>80,000</b>	<b>2,042,400</b>	<b>0.36</b>	<b>-</b>	<b>-</b>	<b>16,215</b>

2021

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

**14 Related party transactions (continued)**

Related party unitholdings (continued)

*Australian Government Bond ETF*

2022

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
BetaShares Ethical Diversified Balanced ETF	-	-	-	-	-	-	-
BetaShares Ethical Diversified Growth ETF	-	-	-	-	-	-	-
BetaShares Diversified All Growth ETF	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

2021

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

**14 Related party transactions (continued)**

Related party unitholdings (continued)

*Australian High Interest Cash ETF*

2022

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
BetaShares Active Australian Hybrids Fund	179,713	-	-	-	1,789,630	1,969,343	43,028
BetaShares Australian Bank Senior Floating Rate Bond ETF	-	-	-	-	-	-	-
BetaShares Australian Equities Bear Hedge Fund	692,000	692,000	34,646,835	1.95	-	-	102,986
<b>Total</b>	<b>871,713</b>	<b>692,000</b>	<b>34,646,835</b>	<b>1.95</b>	<b>1,789,630</b>	<b>1,969,343</b>	<b>146,014</b>

2021

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

**14 Related party transactions (continued)**

Related party unitholdings (continued)

*Australian Investment Grade Corporate Bond ETF*

2022

Unitholder

	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
BetaShares Ethical Diversified Balanced ETF	-	-	-	-	-	-	-
BetaShares Ethical Diversified High Growth ETF	-	-	-	-	-	-	-
BetaShares Ethical Diversified Growth ETF	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-

2021

Unitholder

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

**14 Related party transactions (continued)**

Related party unitholdings (continued)

*Sustainability Leaders Diversified Bond ETF - Currency Hedged*

2022

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
BetaShares Ethical Diversified Balanced ETF	124,990	343,471	7,266,683	4.26	232,191	13,710	116,317
BetaShares Ethical Diversified High Growth ETF	29,965	184,912	3,912,112	2.29	154,947	-	60,402
BetaShares Ethical Diversified Growth ETF	77,124	322,519	6,823,410	4.00	253,972	8,577	108,207
<b>Total</b>	<b>232,079</b>	<b>850,902</b>	<b>18,002,205</b>	<b>10.55</b>	<b>641,110</b>	<b>22,287</b>	<b>284,926</b>

2021

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

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**

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Funds disclosed in the statements of financial position as at 30 June 2022 or on the results and cash flows of the Funds for the period ended on that date.

**16 Contingent assets and liabilities and commitments**

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2022 and 30 June 2021.

**Directors' declaration**

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

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

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

- (a) the financial statements and notes set out on pages 7 to 78 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 2022 and of their performance for the financial period ended on that date; and
- (b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable; and
- (c) note 2(a) confirms that the financial statements comply with International Financial Reporting Standards and Interpretations issued by the International Accounting Standards Board.

Signed in accordance with a resolution of the directors.



Alex Vynokur  
Director

Sydney  
15 September 2022



## Independent Auditor's Report

To the respective unitholders of the following Schemes:

BetaShares Australian Bank Senior Floating Rate Bond ETF

BetaShares Australian Composite Bond ETF

BetaShares Australian Government Bond ETF

BetaShares Australian High Interest Cash ETF

BetaShares Australian Investment Grade Corporate Bond ETF

BetaShares Australian Major Banks Hybrid Index ETF

BetaShares British Pound ETF

BetaShares Euro ETF

BetaShares U.S. Treasury Bond 20+ Year ETF- Currency Hedged

BetaShares Sustainability Leaders Diversified Bond ETF- Currency Hedged

BetaShares U.S. Dollar ETF

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

### Opinion

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

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

- giving a true and fair view of the Schemes' financial position as at 30 June 2022, 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 2022;
- 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 these requirements.

### Key Audit Matters

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

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

The **Key Audit Matter** we identified for BetaShares Australian Bank Senior Floating Rate Bond ETF, BetaShares Australian Composite Bond ETF, BetaShares Australian Government Bond ETF, BetaShares Australian Investment Grade Corporate Bond ETF, BetaShares Australian Major Bank Hybrids Index ETF, BetaShares U.S. Treasury Bond 20+ Year ETF- Currency Hedged and BetaShares Sustainability Leaders Diversified Bond ETF is:

- Valuation and existence of financial instruments.

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

- Existence of cash and cash equivalents.

**Valuation and existence of financial instruments (BetaShares Australian Bank Senior Floating Rate Bond ETF \$558,943,000, BetaShares Australian Composite Bond ETF \$19,190,000, BetaShares Australian Government Bond ETF \$420,607,000, BetaShares Investment Grade Corporate Bond ETF \$453,669,000, BetaShares Australian Major Bank Hybrids Index ETF \$158,149,000, BetaShares U.S. Treasury Bond 20+ Year ETF-Currency Hedged \$7,136,088, BetaShares Sustainability Leaders Diversified Bond ETF \$171,498,000).**

Refer to Note 5 to the Financial Report

The key audit matter	How the matter was addressed in our audit
<p>Financial instruments at fair value through profit or loss comprise investments in listed securities, debt securities and derivatives ("investments").</p> <p>The Scheme outsources certain processes and controls relevant to:</p> <ul style="list-style-type: none"> <li>• Executing transactions as instructed by the Responsible Entity and recording and valuing investments to the Scheme administrator;</li> <li>• Maintaining custody and underlying records of investments to the</li> </ul>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• We assessed the appropriateness of the accounting policies applied by the Scheme, including those relevant to the fair value of investments, against the requirements of the accounting standards.</li> <li>• We obtained and read the Scheme's Service Provider's ASAE 3402 <i>Assurance Reports on Controls at a Service Organisation</i> and GS007 (<i>Guidance Statement 007 Audit Implications of the Use of Service Organisations for Investment Management Services</i>) assurance reports to understand the processes and assess the controls relevant to</li> </ul>



<p>custodian;</p> <p>Valuation and existence of investments is a key audit matter due to the:</p> <ul style="list-style-type: none"> <li>• Size of the Scheme’s portfolio of investments. These investments represent a significant percentage of the Scheme’s total assets at year end; and</li> <li>• Importance of the performance of these investments in driving the Scheme’s investment income and capital performance, as reported in the Financial Report.</li> </ul> <p>As a result, this was the area with greatest effect on our overall audit strategy and allocation of resources in planning and performing our audit.</p>	<p>the:</p> <ul style="list-style-type: none"> <li>- Scheme administrator – to execute transactions, record and value the Scheme’s investments;</li> <li>- Custodian – to maintain custody and underlying records of the Scheme’s investments;</li> </ul> <ul style="list-style-type: none"> <li>• We obtained and read the custodians bridging letter over the period not covered by the ASAE3402 and GS007 assurance reports. We have checked that there were no instances of non-compliance over controls in place at the service provider.</li> <li>• We assessed the reputation, professional competence and independence of the auditors of the ASAE 3402 and GS007 assurance reports.</li> <li>• We checked the existence of investments, being the ownership and quantity held, to external sources such as independent confirmations for derivative investments as at 30 June 2022.</li> <li>• We checked the valuation of investments, as recorded in the general ledger, to independently sourced prices as at 30 June 2022.</li> </ul>
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	<p>We evaluated the Scheme’s disclosures of investments, using our understanding obtained from our testing, against the requirements of the accounting standards.</p>
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<b>Existence of cash and cash equivalents (BetaShares High Interest Cash ETF \$1,774,497,000, BetaShares British Pound ETF \$13,179,000, BetaShares Euro ETF \$9,455,885, BetaShares U.S. Dollar ETF \$148,838,000).</b>	
The key audit matter	How the matter was addressed in our audit
<p>Cash and cash equivalents comprise deposits held at call with financial institutions (“cash”).</p> <p>The Scheme outsources certain processes and controls relevant to:</p> <ul style="list-style-type: none"> <li>• Recording cash transactions to the Scheme administrator;</li> <li>• Maintaining custody and underlying records of cash balances to the custodian;</li> <li>• Existence of cash is a</li> </ul>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• We obtained and read the Service Provider’s ASAE 3402 <i>Assurance Reports on Controls at a Service Organisation</i> and GS007 (<i>Guidance Statement 007 Audit Implications of the Use of Service Organisations for Investment Management Services</i>) assurance reports to understand the processes and assess the controls relevant to the: <ul style="list-style-type: none"> <li>- Custodian – to maintain custody and underlying records of the Scheme’s cash balances.</li> </ul> </li> <li>• We obtained and read the</li> </ul>



<p>key audit matter due to the size of the Scheme's portfolio of cash. These cash balances represent a significant percentage of the Scheme's total assets at year end.</p> <p>As a result, this was the area with greatest effect on our overall audit strategy and allocation of resources in planning and performing our audit.</p>	<p>custodians' bridging letter over the period not covered by the ASAE3402 and GS007 assurance reports. We have checked that there were no instances of non-compliance over controls in place at the service provider.</p> <ul style="list-style-type: none"><li>• We assessed the reputation, professional competence and independence of the auditors of the ASAE 3402 and GS007 assurance reports.</li></ul> <p>We requested independent confirmations from the relevant financial institutions of the balance of the deposits held at call for the Scheme at 30 June 2022 and checked to the Scheme's cash balances, as recorded in the general ledger.</p>
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### Other Information

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

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

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

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

### Responsibilities of Directors for the Financial Report

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

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

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

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud



or error; and

- to issue an Auditor's Report that includes our opinion.

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

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

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

A smaller version of the KPMG logo, with the letters 'KPMG' in a bold, blue, sans-serif font, and a stylized graphic of four vertical bars to the left.

KPMG

A handwritten signature in black ink, appearing to read 'Nicholas Buchanan'.

Nicholas Buchanan  
*Partner*

Sydney  
15 September 2022



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.