



Booklet 4

# Annual Financial Report

30 June 2023

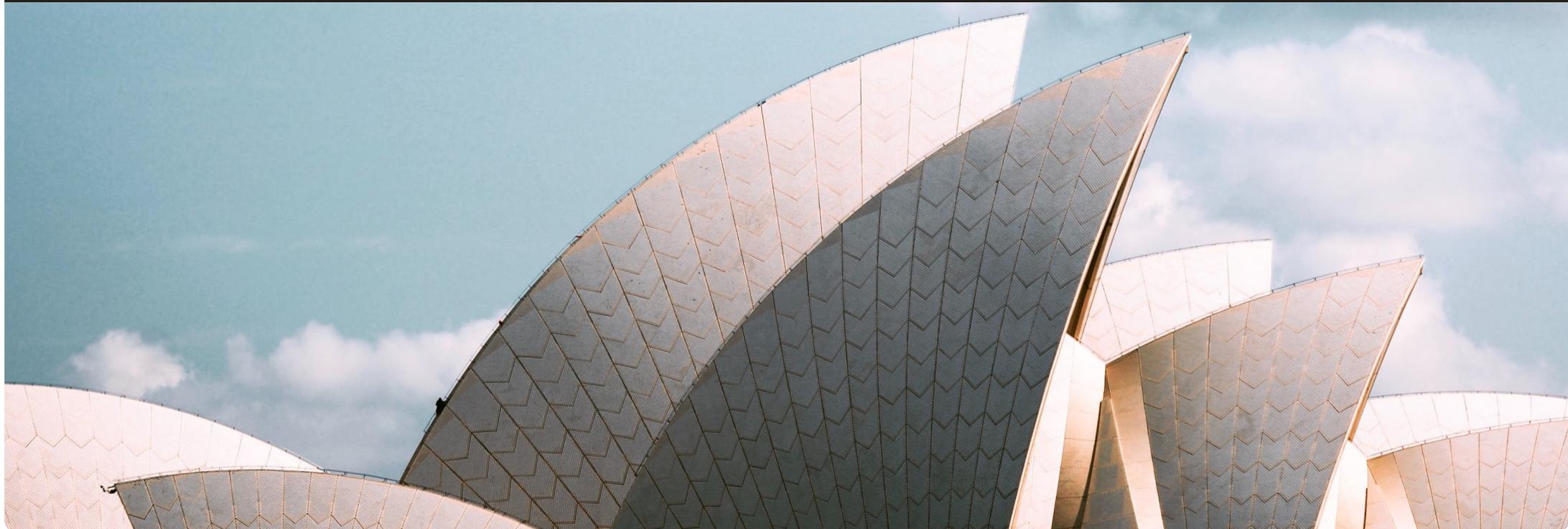
**Responsible Entity**

Betashares Capital Limited Ltd

(ABN 78 139 566 868)

Level 11, 50 Margaret,  
Sydney, NSW 2000

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



#### **Booklet 4**

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

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

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

**Betashares Australian Quality ETF - ASX: AQLT (ARSN 643 692 531)**

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

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

**Betashares Australian Small Companies Select Fund (managed fund) - ASX Code: SMLL (ARSN 613 693 431)**

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

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

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

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

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**30 June 2023**

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**Annual Financial Report**  
**30 June 2023**

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## Directors' report

The directors of Betashares Capital Ltd, the Responsible Entity of the following managed investment funds (the "Funds"), presents their report together with the financial statements of the Funds for the year ended 30 June 2023 and the auditor's report thereon.

<b>Fund name</b>	<b>Referred to in this document as</b>	<b>Financial reporting year</b>	<b>ARSN</b>
Betashares Active Australian Hybrids Fund (managed fund)	Active Australian Hybrids Fund	1 July 2022 to 30 June 2023	613 694 009
Betashares Australia 200 ETF	Australia 200 ETF	1 July 2022 to 30 June 2023	623 014 326
Betashares Australian Dividend Harvester Fund (managed fund)	Australian Dividend Harvester Fund	1 July 2022 to 30 June 2023	169 907 064
Betashares Australian Quality ETF	Australian Quality ETF	1 July 2022 to 30 June 2023	643 692 531
Betashares Australian Financials Sector ETF	Australian Financials Sector ETF	1 July 2022 to 30 June 2023	143 220 964
Betashares Australian Resources Sector ETF	Australian Resources Sector ETF	1 July 2022 to 30 June 2023	143 220 795
Betashares Australian Small Companies Select Fund (managed fund)	Australian Small Companies Select Fund	1 July 2022 to 30 June 2023	613 693 431
Betashares Australian Sustainability Leaders ETF	Australian Sustainability Leaders ETF	1 July 2022 to 30 June 2023	608 057 996
Betashares Ex-20 Portfolio Diversifier ETF	Ex-20 Portfolio Diversifier ETF	1 July 2022 to 30 June 2023	613 691 688
Betashares FTSE RAFI Australia 200 ETF	FTSE RAFI Australia 200 ETF	1 July 2022 to 30 June 2023	155 637 219
Betashares Managed Risk Australian Share Fund (managed fund)	Managed Risk Australian Share Fund	1 July 2022 to 30 June 2023	602 666 384

## Responsible Entity

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

## Principal activities

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

The Funds did not have any employees during the year.

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

## Directors

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

Mr Alex Vynokur (appointed 21 September 2009)

Mr Jason Gellert (appointed 5 March 2021)

Mr Edward Sippel (appointed 5 March 2021)

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

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

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

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

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

There have been continuous challenging economic conditions such as Covid-19 pandemic supply chain constraints, inflation, increasing interest rates, the Russia - Ukraine war, or other events that may impact the Funds' future performance.

Effective 19 September 2022, certain revisions have been made to the Australian Sustainability Leaders ETF's underlying index methodology and investment strategy. These revisions seek to enhance the criteria companies are required to meet to be included as constituents of the Index.

On 22 February 2023, Australia A200 ETF management fees were reduced from 0.07% to 0.04% per annum of the Fund's Net Asset Value.

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

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

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect:

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

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

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

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

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

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

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

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

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

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

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

### **Interests in the Funds**

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

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

**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.

**Compensation (ASIC Regulatory Guide 94 Unit pricing: Guide to good practice)**

The Responsible Entity may apply a \$20 minimum to compensation amounts in respect of any unit pricing errors for exited investors.

**Auditor's independence declaration**

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

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



Alex Vynokur  
Director

Sydney  
22 September 2023



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

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

Betashares Active Australian Hybrids Fund (managed fund)

Betashares Australia 200 ETF

Betashares Australian Dividend Harvester Fund (managed fund)

Betashares Australian Quality ETF

Betashares Australian Financials Sector ETF

Betashares Australian Resources Sector ETF

Betashares Australian Small Companies Select Fund (managed fund)

Betashares Australian Sustainability Leaders ETF

Betashares Ex-20 Portfolio Diversifier ETF

Betashares FTSE RAFI Australia 200 ETF

Betashares Managed Risk Australian Share Fund (managed fund)

I declare that, to the best of my knowledge and belief, in relation to the audit of the Schemes for the financial year ended 30 June 2023 there have been:

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

  
KPMG



Nicholas Buchanan  
Partner  
Sydney

22 September 2023

**Booklet 4**  
**Statements of comprehensive income**  
**For the year ended 30 June 2023**

Statements of comprehensive income	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Quality ETF <sup>1</sup>	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>								
Interest income		28	232	-	41	-	1	-
Dividend/distribution income		999	120,035	80,314	12,044	13,272	548	79
Net gains/(losses) on financial instruments at fair value through profit or loss		(60,901)	210,061	(225,094)	8,634	(28,891)	1,840	(1,634)
Income on convertible instruments		38,000	-	-	-	-	-	-
Other operating income		42	3	-	-	-	-	-
<b>Total net investment income/(loss)</b>		(21,832)	330,331	(144,780)	20,719	(15,619)	2,389	(1,555)
<b>Expenses</b>								
Management fees	14	7,053	1,543	1,381	1,116	1,035	48	7
Expense recoveries	14	1,574	-	-	123	403	-	-
Interest expenses		-	-	4	-	14	-	-
Transaction costs		319	41	54	134	9	1	-
Other operating expenses		141	16	69	2	6	3	-
<b>Total operating expenses</b>		9,087	1,600	1,508	1,375	1,467	52	7
<b>Profit/(loss) for the year</b>		(30,919)	328,731	(146,288)	19,344	(17,086)	2,337	(1,562)
Other comprehensive income		-	-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the year</b>		(30,919)	328,731	(146,288)	19,344	(17,086)	2,337	(1,562)

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

<sup>1</sup> Australian Quality ETF was registered on 1 September 2020 and commenced trading on 4 April 2022. The comparative amount was from 4 April 2022 to 30 June 2022.

**Booklet 4**  
**Statements of comprehensive income**  
**For the year ended 30 June 2023**  
**(continued)**

Statements of comprehensive income	Australian Financials Sector ETF		Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders ETF		
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Investment income</b>									
Interest income	16	-	38	-	26	1	58	-	
Dividend/distribution income	2,369	2,395	10,384	7,614	3,234	1,982	37,559	32,392	
Net gains/(losses) on financial instruments at fair value through profit or loss	4,492	(7,724)	19,538	(8,213)	639	(13,708)	134,839	(209,365)	
Other operating income	-	-	-	1	-	-	5	-	
<b>Total net investment income/(loss)</b>	<b>6,877</b>	<b>(5,329)</b>	<b>29,960</b>	<b>(598)</b>	<b>3,899</b>	<b>(11,725)</b>	<b>172,461</b>	<b>(176,973)</b>	
<b>Expenses</b>									
Management fees	14	174	199	515	364	225	224	4,919	4,690
Expense recoveries	14	-	-	-	-	49	49	1,261	1,202
Performance fees	14	-	-	-	-	36	373	-	-
Interest expenses	-	-	-	-	1	-	-	-	2
Transaction costs	-	1	1	6	6	6	11	76	76
Other operating expenses	-	2	3	4	5	15	22	13	229
<b>Total operating expenses</b>		<b>177</b>	<b>203</b>	<b>525</b>	<b>376</b>	<b>331</b>	<b>679</b>	<b>6,269</b>	<b>6,199</b>
<b>Profit/(loss) for the year</b>		<b>6,700</b>	<b>(5,532)</b>	<b>29,435</b>	<b>(974)</b>	<b>3,568</b>	<b>(12,404)</b>	<b>166,192</b>	<b>(183,172)</b>
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>6,700</b>	<b>(5,532)</b>	<b>29,435</b>	<b>(974)</b>	<b>3,568</b>	<b>(12,404)</b>	<b>166,192</b>	<b>(183,172)</b>

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

**Booklet 4**  
**Statements of comprehensive income**  
**For the year ended 30 June 2023**  
**(continued)**

Statements of comprehensive income		Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
		30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Investment income</b>	Notes						
Interest income		26	-	59	-	38	-
Dividend/distribution income		8,277	6,669	22,236	17,245	1,386	926
Net gains/(losses) on financial instruments at fair value through profit or loss		24,749	(28,113)	33,762	(25,523)	571	(2,560)
Other operating income		-	-	1	1	-	-
<b>Total net investment income/(loss)</b>		<b>33,052</b>	<b>(21,444)</b>	<b>56,058</b>	<b>(8,277)</b>	<b>1,995</b>	<b>(1,634)</b>
<b>Expenses</b>							
Management fees	14	482	475	1,279	1,163	123	94
Expense recoveries	14	121	119	426	388	31	24
Interest expenses		-	1	-	1	-	1
Transaction costs		5	10	20	15	2	2
Other operating expenses		13	36	10	13	4	10
<b>Total operating expenses</b>		<b>621</b>	<b>641</b>	<b>1,735</b>	<b>1,580</b>	<b>160</b>	<b>131</b>
<b>Profit/(loss) for the year</b>		<b>32,431</b>	<b>(22,085)</b>	<b>54,323</b>	<b>(9,857)</b>	<b>1,835</b>	<b>(1,765)</b>
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>32,431</b>	<b>(22,085)</b>	<b>54,323</b>	<b>(9,857)</b>	<b>1,835</b>	<b>(1,765)</b>

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

**Booklet 4**  
**Statements of financial position**  
**As at 30 June 2023**

Statements of financial position		Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Quality ETF	
		30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Assets</b>									
		23,165	22,114	3,790	9,097	468	-	107	6
		-	-	1,481	-	-	-	21	-
	5	1,955,770	1,784,354	3,095,216	2,097,225	180,591	158,740	16,888	9,365
		23,413	8,922	177	-	-	-	2	-
	6	5,763	1,448	15,399	10,470	1,451	3,487	1,317	66
		<b>2,008,111</b>	<b>1,816,838</b>	<b>3,116,063</b>	<b>2,116,792</b>	<b>182,510</b>	<b>162,227</b>	<b>18,335</b>	<b>9,437</b>
<b>Liabilities</b>									
		-	-	-	-	-	42	-	-
	5	-	-	-	121	-	-	-	-
		25,499	16,950	-	1,230	-	1,205	1,217	-
	4	8,732	4,344	20,613	66,229	1,045	1,420	190	74
	7	1,107	3,617	864	710	115	153	5	3
		<b>35,338</b>	<b>24,911</b>	<b>21,477</b>	<b>68,290</b>	<b>1,160</b>	<b>2,820</b>	<b>1,412</b>	<b>77</b>
	3	<b>1,972,773</b>	<b>1,791,927</b>	<b>3,094,586</b>	<b>2,048,502</b>	<b>181,350</b>	<b>159,407</b>	<b>16,923</b>	<b>9,360</b>

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

**Booklet 4**  
**Statements of financial position**  
**As at 30 June 2023**  
**(continued)**

Statements of financial position	Notes	Australian Financials Sector ETF		Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders ETF	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>									
Cash and cash equivalents		476	343	856	175	804	2,113	8	433
Cash held on collateral		95	-	116	-	-	-	314	-
Financial assets at fair value through profit or loss	5	54,983	49,565	170,411	120,724	70,509	61,553	1,257,376	1,131,276
Due from brokers - receivable for securities sold		-	-	-	-	-	-	6	-
Other receivables	6	467	492	3,955	8	349	203	3,927	7,031
<b>Total assets</b>		<b>56,021</b>	<b>50,400</b>	<b>175,338</b>	<b>120,907</b>	<b>71,662</b>	<b>63,869</b>	<b>1,261,631</b>	<b>1,138,740</b>
<b>Liabilities</b>									
Financial liabilities at fair value through profit or loss	5	-	6	-	12	-	-	-	113
Due to brokers - payable for securities purchased		-	-	2,355	-	-	-	-	3,379
Distributions payable	4	455	567	4,645	13,768	1,284	2,563	13,970	29,089
Other payables	7	17	18	50	38	80	239	540	490
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>472</b>	<b>591</b>	<b>7,050</b>	<b>13,818</b>	<b>1,364</b>	<b>2,802</b>	<b>14,510</b>	<b>33,071</b>
<b>Net assets attributable to unitholders - equity</b>	3	<b>55,549</b>	<b>49,809</b>	<b>168,288</b>	<b>107,089</b>	<b>70,298</b>	<b>61,067</b>	<b>1,247,121</b>	<b>1,105,669</b>

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

**Booklet 4**  
**Statements of financial position**  
**As at 30 June 2023**  
**(continued)**

Statements of financial position	Notes	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>							
Cash and cash equivalents		247	1,601	1,074	2,630	823	2,770
Cash held on collateral		86	-	284	-	617	-
Financial assets at fair value through profit or loss	5	231,569	215,399	423,280	388,563	26,532	29,853
Due from brokers - receivable for securities sold		4	-	31	-	-	-
Other receivables	6	2,830	855	11,305	14,932	142	130
<b>Total assets</b>		<b>234,736</b>	<b>217,855</b>	<b>435,974</b>	<b>406,125</b>	<b>28,114</b>	<b>32,753</b>
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss	5	-	-	-	23	67	-
Due to brokers - payable for securities purchased		1,970	341	8,831	8,634	-	18
Distributions payable	4	4,037	3,330	12,393	20,763	466	716
Other payables	7	56	54	141	175	12	12
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>6,063</b>	<b>3,725</b>	<b>21,365</b>	<b>29,595</b>	<b>545</b>	<b>746</b>
<b>Net assets attributable to unitholders - equity</b>	3	<b>228,673</b>	<b>214,130</b>	<b>414,609</b>	<b>376,530</b>	<b>27,569</b>	<b>32,007</b>

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

**Booklet 4**  
**Statements of changes in equity**  
**For the year ended 30 June 2023**

Statements of changes in equity	Notes	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Quality ETF <sup>1</sup>	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the year</b>	3	<b>1,791,927</b>	1,225,772	<b>2,048,502</b>	1,485,544	<b>159,407</b>	158,114	<b>9,360</b>	-
<b>Comprehensive income for the year</b>									
Profit/(loss) for the year		<b>102,035</b>	(30,919)	<b>328,731</b>	(146,288)	<b>19,344</b>	(17,086)	<b>2,337</b>	(1,562)
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>102,035</b>	(30,919)	<b>328,731</b>	(146,288)	<b>19,344</b>	(17,086)	<b>2,337</b>	(1,562)
<b>Transactions with unitholders</b>									
Applications	3	<b>206,759</b>	665,219	<b>947,876</b>	1,411,592	<b>23,441</b>	36,610	<b>6,862</b>	10,996
Redemptions	3	<b>(44,110)</b>	(29,707)	<b>(134,877)</b>	(584,298)	<b>(9,918)</b>	(8,079)	<b>(1,206)</b>	-
Units issued upon reinvestment of distributions	3	<b>2,411</b>	1,223	<b>17,855</b>	8,314	<b>1,285</b>	1,057	<b>28</b>	-
Distributions to unitholders	3,4	<b>(86,249)</b>	(39,661)	<b>(113,501)</b>	(126,362)	<b>(12,209)</b>	(11,209)	<b>(458)</b>	(74)
<b>Total transactions with unitholders</b>		<b>78,811</b>	597,074	<b>717,353</b>	709,246	<b>2,599</b>	18,379	<b>5,226</b>	10,922
<b>Total equity at the end of the year</b>	3	<b>1,972,773</b>	1,791,927	<b>3,094,586</b>	2,048,502	<b>181,350</b>	159,407	<b>16,923</b>	9,360

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

<sup>1</sup> The comparative amount for Australian Quality ETF was from 4 April 2022 to 30 June 2022.

**Booklet 4**  
**Statements of changes in equity**  
**For the year ended 30 June 2023**  
**(continued)**

Statements of changes in equity	Notes	Australian Financials Sector ETF		Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders ETF	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the year</b>	3	<b>49,809</b>	57,199	<b>107,089</b>	117,699	<b>61,067</b>	61,650	<b>1,105,669</b>	1,034,426
<b>Comprehensive income for the year</b>									
Profit/(loss) for the year		<b>6,700</b>	(5,532)	<b>29,435</b>	(974)	<b>3,568</b>	(12,404)	<b>166,192</b>	(183,172)
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>6,700</b>	(5,532)	<b>29,435</b>	(974)	<b>3,568</b>	(12,404)	<b>166,192</b>	(183,172)
<b>Transactions with unitholders</b>									
Applications	3	<b>45,555</b>	46,686	<b>90,103</b>	50,761	<b>12,409</b>	19,730	<b>133,128</b>	383,544
Redemptions	3	<b>(44,566)</b>	(46,543)	<b>(49,248)</b>	(43,326)	<b>(4,177)</b>	(4,744)	<b>(142,943)</b>	(106,458)
Units issued upon reinvestment of distributions	3	<b>201</b>	153	<b>1,223</b>	342	<b>205</b>	242	<b>13,068</b>	18,117
Distributions to unitholders	3,4	<b>(2,150)</b>	(2,154)	<b>(10,314)</b>	(17,413)	<b>(2,774)</b>	(3,407)	<b>(27,993)</b>	(40,788)
<b>Total transactions with unitholders</b>		<b>(960)</b>	(1,858)	<b>31,764</b>	(9,636)	<b>5,663</b>	11,821	<b>(24,740)</b>	254,415
<b>Total equity at the end of the year</b>	3	<b>55,549</b>	49,809	<b>168,288</b>	107,089	<b>70,298</b>	61,067	<b>1,247,121</b>	1,105,669

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

**Booklet 4**  
**Statements of changes in equity**  
**For the year ended 30 June 2023**  
**(continued)**

Statements of changes in equity	Notes	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
		30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000
<b>Total equity at the beginning of the year</b>	3	<b>214,130</b>	226,158	<b>376,530</b>	361,167	<b>32,007</b>	21,466
<b>Comprehensive income for the year</b>							
Profit/(loss) for the year		<b>32,431</b>	(22,085)	<b>54,323</b>	(9,857)	<b>1,835</b>	(1,765)
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>32,431</b>	(22,085)	<b>54,323</b>	(9,857)	<b>1,835</b>	(1,765)
<b>Transactions with unitholders</b>							
Applications	3	<b>102,616</b>	47,076	<b>72,922</b>	67,604	<b>4,739</b>	13,406
Redemptions	3	<b>(113,182)</b>	(31,477)	<b>(66,287)</b>	(13,671)	<b>(9,807)</b>	-
Units issued upon reinvestment of distributions	3	<b>574</b>	655	<b>1,706</b>	1,020	<b>51</b>	34
Distributions to unitholders	3,4	<b>(7,896)</b>	(6,197)	<b>(24,585)</b>	(29,733)	<b>(1,256)</b>	(1,134)
<b>Total transactions with unitholders</b>		<b>(17,888)</b>	10,057	<b>(16,244)</b>	25,220	<b>(6,273)</b>	12,306
<b>Total equity at the end of the year</b>	3	<b>228,673</b>	214,130	<b>414,609</b>	376,530	<b>27,569</b>	32,007

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

**Booklet 4**  
**Statements of cash flows**  
**For the year ended 30 June 2023**

Statements of cash flows	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Quality ETF <sup>1</sup>	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>								
Proceeds from sale of financial instruments at fair value through profit or loss	1,029,899	232,755	304,900	870,458	361,479	608,097	5,132	2,006
Payments for purchase of financial instruments at fair value through profit or loss	(1,180,488)	(889,124)	(1,094,358)	(1,708,496)	(375,901)	(642,391)	(9,600)	(13,005)
Movements in cash held on collateral	-	-	(1,481)	-	-	-	(21)	-
Dividends/distributions received	68,841	38,326	115,100	69,873	12,806	12,363	518	13
Interest received	1,060	18	230	1	39	2	1	-
Income on convertible instruments	11,985	767	-	-	-	-	-	-
Other operating income received	-	42	175	5,985	62	35	-	-
Management fees paid	(8,551)	(6,856)	(1,569)	(1,345)	(1,109)	(1,037)	(47)	(4)
Expense recoveries paid	(1,925)	(1,530)	-	-	(122)	(429)	-	-
Transaction costs paid	(383)	(319)	(41)	(54)	(134)	(9)	(1)	-
Other operating expenses paid	(118)	(155)	-	-	(46)	(54)	(3)	-
<b>Net cash inflow/(outflow) from operating activities</b>	8 (79,680)	(626,076)	(677,044)	(763,578)	(2,926)	(23,423)	(4,021)	(10,990)
<b>Cash flows from financing activities</b>								
Proceeds from applications by unitholders	206,837	668,300	947,876	1,411,592	24,653	35,399	5,642	10,996
Payments for redemptions by unitholders	(46,656)	(26,946)	(134,877)	(584,298)	(9,918)	(8,079)	(1,206)	-
Distributions paid	(79,450)	(36,631)	(141,262)	(58,626)	(11,299)	(9,404)	(314)	-
<b>Net cash inflow/(outflow) from financing activities</b>	80,731	604,723	671,737	768,668	3,436	17,916	4,122	10,996
<b>Net increase/(decrease) in cash and cash equivalents</b>	1,051	(21,353)	(5,307)	5,090	510	(5,507)	101	6
Cash and cash equivalents at the beginning of the financial year	22,114	43,467	9,097	4,007	(42)	5,465	6	-
<b>Cash and cash equivalents at the end of the financial year</b>	23,165	22,114	3,790	9,097	468	(42)	107	6
<b>Non-cash financing activities</b>								
Units issued upon reinvestment of distributions	2,411	1,223	17,855	8,314	1,285	1,057	28	-

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

<sup>1</sup> The comparative amount for Australian Quality ETF was from 4 April 2022 to 30 June 2022.

**Booklet 4**  
**Statements of cash flows**  
**For the year ended 30 June 2023**  
**(continued)**

Statements of cash flows	Australian Financials Sector ETF		Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders ETF	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>								
Proceeds from sale of financial instruments at fair value through profit or loss	48,595	49,940	79,606	69,198	28,375	39,651	347,184	299,883
Payments for purchase of financial instruments at fair value through profit or loss	(49,526)	(50,388)	(107,412)	(78,481)	(36,692)	(52,376)	(341,944)	(580,705)
Movements in cash held on collateral	(95)	-	(116)	-	-	-	(314)	-
Dividends/distributions received	2,395	2,353	10,372	7,614	3,074	2,077	37,294	32,487
Interest income received	15	-	35	-	25	-	56	-
Other operating income received	-	-	-	2	-	161	-	6
Management fees paid	(176)	(200)	(505)	(365)	(224)	(224)	(4,881)	(4,681)
Performance fees paid	-	-	-	-	(36)	-	-	-
Expense recoveries paid	-	-	-	-	(49)	(49)	(1,251)	(1,200)
Transaction costs paid	(1)	1	(6)	(6)	(6)	(11)	(76)	(76)
Other operating expenses paid	(1)	(2)	(4)	(5)	(200)	(373)	(12)	(213)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>1,206</b>	<b>1,704</b>	<b>(18,030)</b>	<b>(2,043)</b>	<b>(5,733)</b>	<b>(11,144)</b>	<b>36,056</b>	<b>(254,499)</b>
<b>Cash flows from financing activities</b>								
Proceeds from applications by unitholders	45,555	46,686	86,173	50,761	12,427	19,889	136,505	380,166
Payments for redemptions by unitholders	(44,566)	(46,543)	(49,248)	(43,326)	(4,155)	(4,709)	(142,943)	(106,458)
Distributions paid	(2,062)	(1,840)	(18,214)	(5,327)	(3,848)	(3,952)	(30,043)	(19,259)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(1,073)</b>	<b>(1,697)</b>	<b>18,711</b>	<b>2,108</b>	<b>4,424</b>	<b>11,228</b>	<b>(36,481)</b>	<b>254,449</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>133</b>	<b>7</b>	<b>681</b>	<b>65</b>	<b>(1,309)</b>	<b>84</b>	<b>(425)</b>	<b>(50)</b>
Cash and cash equivalents at the beginning of the financial year	343	336	175	110	2,113	2,029	433	483
<b>Cash and cash equivalents at the end of the financial year</b>	<b>476</b>	<b>343</b>	<b>856</b>	<b>175</b>	<b>804</b>	<b>2,113</b>	<b>8</b>	<b>433</b>
<b>Non-cash financing activities</b>								
Units issued upon reinvestment of distributions	201	153	1,223	342	205	242	13,068	18,117

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

**Booklet 4**  
**Statements of cash flows**  
**For the year ended 30 June 2023**  
**(continued)**

Statements of cash flows	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Cash flows from operating activities</b>						
Proceeds from sale of financial instruments at fair value through profit or loss	138,343	78,866	123,581	79,927	11,490	2,494
Payments for purchase of financial instruments at fair value through profit or loss	(128,139)	(99,027)	(124,393)	(129,821)	(7,549)	(14,189)
Movements in cash held on collateral	(86)	-	(284)	-	(617)	-
Dividends/distributions received	8,274	6,506	21,813	17,000	1,376	885
Interest received	25	-	58	-	36	-
Other operating income received	-	1	38	28	1	-
Management fees paid	(481)	(477)	(1,275)	(1,160)	(124)	(92)
Expense recoveries paid	(121)	(119)	(424)	(387)	(31)	(24)
Transaction costs paid	(5)	(10)	(20)	(15)	(2)	(2)
Other operating expenses paid	(13)	(34)	(49)	(37)	(4)	(12)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>17,797</b>	<b>(14,294)</b>	<b>19,045</b>	<b>(34,465)</b>	<b>4,576</b>	<b>(10,940)</b>
<b>Cash flows from financing activities</b>						
Proceeds from applications by unitholders	100,646	51,100	76,935	68,349	4,739	13,406
Payments for redemptions by unitholders	(113,182)	(31,477)	(66,287)	(13,671)	(9,807)	-
Distributions paid	(6,615)	(4,684)	(31,249)	(18,498)	(1,455)	(628)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(19,151)</b>	<b>14,939</b>	<b>(20,601)</b>	<b>36,180</b>	<b>(6,523)</b>	<b>12,778</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,354)</b>	<b>645</b>	<b>(1,556)</b>	<b>1,715</b>	<b>(1,947)</b>	<b>1,838</b>
Cash and cash equivalents at the beginning of the financial year	1,601	956	2,630	915	2,770	932
<b>Cash and cash equivalents at the end of the financial year</b>	<b>247</b>	<b>1,601</b>	<b>1,074</b>	<b>2,630</b>	<b>823</b>	<b>2,770</b>
<b>Non-cash financing activities</b>						
Units issued upon reinvestment of distributions	574	655	1,706	1,020	51	34

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

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## 1 General information

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

Abbreviated Fund name	Registered date	Commenced date	Financial reporting year
Active Australian Hybrids Fund	26 July 2016	13 November 2017	1 July 2022 to 30 June 2023
Australia 200 ETF	28 November 2017	7 May 2018	1 July 2022 to 30 June 2023
Australian Dividend Harvester Fund	16 June 2014	29 October 2014	1 July 2022 to 30 June 2023
Australian Quality ETF	1 September 2020	4 April 2022	1 July 2022 to 30 June 2023
Australian Financials Sector ETF	3 May 2010	10 December 2010	1 July 2022 to 30 June 2023
Australian Resources Sector ETF	3 May 2010	10 December 2010	1 July 2022 to 30 June 2023
Australian Small Companies Select Fund	26 July 2016	7 April 2017	1 July 2022 to 30 June 2023
Australian Sustainability Leaders ETF	11 September 2015	27 November 2017	1 July 2022 to 30 June 2023
Ex-20 Portfolio Diversifier ETF	26 July 2016	5 October 2016	1 July 2022 to 30 June 2023
FTSE RAFI Australia 200 ETF	22 February 2012	10 July 2013	1 July 2022 to 30 June 2023
Managed Risk Australian Share Fund	16 June 2014	10 November 2015	1 July 2022 to 30 June 2023

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

The financial statements were authorised for issue by the directors of the Responsible Entity on 22 September 2023. 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 years presented unless otherwise stated.

### (a) Basis of preparation

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

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

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

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

## **2 Summary of significant accounting policies (continued)**

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

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

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

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

#### *Use of estimates and judgement*

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

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

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

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

#### *Investment entity exception*

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

## **2 Summary of significant accounting policies (continued)**

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

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

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

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

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

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

The Funds have assessed whether the securities in which they invest are structured entities. The Funds have considered the voting rights and other similar rights afforded to investors in 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, interpretations or amendments to existing standards that are effective for the period beginning 1 July 2022 that had a material impact on the Funds.

### **(c) Financial instruments**

#### *(i) Classification*

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

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

## **2 Summary of significant accounting policies (continued)**

### **(c) Financial instruments (continued)**

#### *(i) Classification (continued)*

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

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

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

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

#### *(iii) Measurement*

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

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

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

For further details on how the fair value of the financial instruments is determined are disclosed in Note 11.

#### *(iv) Offsetting financial instruments*

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

## **2 Summary of significant accounting policies (continued)**

### **(c) Financial instruments (continued)**

#### *(v) Derivative financial instrument and hedge accounting*

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

### **(d) Net assets attributable to unitholders**

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

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

Australian Small Companies Select Fund and Active Australian Hybrids Fund

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

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.

## **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) Cash held on collateral**

Margin accounts comprise cash held for derivative transactions. The cash is held by the broker and is only available to meet margin calls. Unrestricted margin account balances and restricted margin accounts balances, where the derivative transactions' original maturities are within three months, are classified as cash and cash equivalents. Restricted margin accounts where the derivative transactions' original maturities are not within three months are classified as cash held on collateral.

### **(g) Investment income**

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

Interest income earned from financial assets at amortised cost is recognised using the effective interest method and includes interest from cash and cash equivalents.

Interest from financial assets at fair value through profit or loss is determined based on the contractual coupon interest rate and includes interest from debt securities.

Other changes in fair value for such instruments are recorded in accordance with the accounting policies described in Note 2(c).

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

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.

### **(h) Expenses**

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

## **2 Summary of significant accounting policies (continued)**

### **(i) Income tax**

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

### **(j) 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.

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

Other 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 year 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 *Financial Instruments* 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**

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

The distribution amount payable to unitholders as at the end of each reporting year 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 amount of GST recoverable from the ATO as a reduced input tax credit (RITC) is included in payables in the statements of financial position. This change does not have a material impact on prior years and no restatement was made to the comparative year.

### **(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 year were as follows:

	Active Australian Hybrids Fund				Australia 200 ETF			
	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Net assets attributable to unitholders</b>								
Opening balance	181,126	119,155	1,791,927	1,225,772	18,765	12,039	2,048,502	1,485,544
Applications	20,557	64,844	206,759	665,219	8,070	11,370	947,876	1,411,592
Redemptions	(4,415)	(2,992)	(44,110)	(29,707)	(1,140)	(4,710)	(134,877)	(584,298)
Units issued upon reinvestment of distributions	240	119	2,411	1,223	161	66	17,855	8,314
Distribution to unitholders	-	-	(86,249)	(39,661)	-	-	(113,501)	(126,362)
Profit/(loss) for the year	-	-	102,035	(30,919)	-	-	328,731	(146,288)
<b>Closing balance</b>	<b>197,508</b>	<b>181,126</b>	<b>1,972,773</b>	<b>1,791,927</b>	<b>25,856</b>	<b>18,765</b>	<b>3,094,586</b>	<b>2,048,502</b>

	Australian Dividend Harvester Fund				Australian Quality ETF <sup>1</sup>			
	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Net assets attributable to unitholders</b>								
Opening balance	13,517	11,339	159,407	158,114	450	-	9,360	-
Applications	1,898	2,700	23,441	36,610	300	450	6,862	10,996
Redemptions	(800)	(600)	(9,918)	(8,079)	(50)	-	(1,206)	-
Units issued upon reinvestment of distributions	105	78	1,285	1,057	1	-	28	-
Distribution to unitholders	-	-	(12,209)	(11,209)	-	-	(458)	(74)
Profit/(loss) for the year	-	-	19,344	(17,086)	-	-	2,337	(1,562)
<b>Closing balance</b>	<b>14,720</b>	<b>13,517</b>	<b>181,350</b>	<b>159,407</b>	<b>701</b>	<b>450</b>	<b>16,923</b>	<b>9,360</b>

<sup>1</sup> The comparative amount for Australian Quality ETF was from 4 April 2022 to 30 June 2022.

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

	Australian Financials Sector ETF				Australian Resources Sector ETF			
	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Net assets attributable to unitholders</b>								
Opening balance	4,712	4,799	49,809	57,199	16,092	15,545	107,089	117,699
Applications	3,900	3,800	45,555	46,686	12,000	6,200	90,103	50,761
Redemptions	(3,800)	(3,900)	(44,566)	(46,543)	(6,300)	(5,700)	(49,248)	(43,326)
Units issued upon reinvestment of distributions	18	13	201	153	177	47	1,223	342
Distribution to unitholders	-	-	(2,150)	(2,154)	-	-	(10,314)	(17,413)
Profit/(loss) for the year	-	-	6,700	(5,532)	-	-	29,435	(974)
<b>Closing balance</b>	<b>4,830</b>	<b>4,712</b>	<b>55,549</b>	<b>49,809</b>	<b>21,969</b>	<b>16,092</b>	<b>168,288</b>	<b>107,089</b>

	Australian Small Companies Select Fund				Australian Sustainability Leaders ETF			
	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Net assets attributable to unitholders</b>								
Opening balance	19,006	15,249	61,067	61,650	68,108	53,163	1,105,669	1,034,426
Applications	3,615	4,872	12,409	19,730	7,700	19,900	133,128	383,544
Redemptions	(1,227)	(1,174)	(4,177)	(4,744)	(8,000)	(5,700)	(142,943)	(106,458)
Units issued upon reinvestment of distributions	63	59	205	242	799	745	13,068	18,117
Distribution to unitholders	-	-	(2,774)	(3,407)	-	-	(27,993)	(40,788)
Profit/(loss) for the year	-	-	3,568	(12,404)	-	-	166,192	(183,172)
<b>Closing balance</b>	<b>21,457</b>	<b>19,006</b>	<b>70,298</b>	<b>61,067</b>	<b>68,607</b>	<b>68,108</b>	<b>1,247,121</b>	<b>1,105,669</b>

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

	Ex-20 Portfolio Diversifier ETF				FTSE RAFI Australia 200 ETF			
	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Net assets attributable to unitholders</b>								
Opening balance	12,165	11,333	214,130	226,158	28,244	24,575	376,530	361,167
Applications	5,300	2,300	102,616	47,076	5,100	4,500	72,922	67,604
Redemptions	(5,700)	(1,500)	(113,182)	(31,477)	(4,500)	(900)	(66,287)	(13,671)
Units issued upon reinvestment of distributions	32	32	574	655	125	69	1,706	1,020
Distribution to unitholders	-	-	(7,896)	(6,197)	-	-	(24,585)	(29,733)
Profit/(loss) for the year	-	-	32,431	(22,085)	-	-	54,323	(9,857)
<b>Closing balance</b>	<b>11,797</b>	<b>12,165</b>	<b>228,673</b>	<b>214,130</b>	<b>28,969</b>	<b>28,244</b>	<b>414,609</b>	<b>376,530</b>

	Managed Risk Australian Share Fund			
	30 June 2022 Units '000	30 June 2022 Units '000	30 June 2022 \$'000	30 June 2022 \$'000
<b>Net assets attributable to unitholders</b>				
Opening balance	2,037	1,235	32,007	21,466
Applications	300	800	4,739	13,406
Redemptions	(600)	-	(9,807)	-
Units issued upon reinvestment of distributions	2	2	51	34
Distribution to unitholders	-	-	(1,256)	(1,134)
Profit/(loss) for the year	-	-	1,835	(1,765)
<b>Closing balance</b>	<b>1,739</b>	<b>2,037</b>	<b>27,569</b>	<b>32,007</b>

#### Capital risk management

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

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

Distributions are payable as set out in the Funds' Product Disclosure Statement and/or Funds' Constitution. Such distributions are recognised as payable when they are determined by the Responsible Entity.

The distributions for the year were as follows:

	Active Australian Hybrids Fund				Australia 200 ETF <sup>2</sup>			
	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU
Distributions paid - July	5,023	2.74	2,631	2.11	-	-	-	-
Distributions paid - August	5,873	3.13	2,922	2.24	-	-	-	-
Distributions paid - September	5,960	3.14	2,831	2.06	41,204	190.23	23,578	169.92
Distributions paid - October	6,986	3.64	2,814	1.96	-	-	-	-
Distributions paid - November	6,855	3.55	3,198	2.14	-	-	-	-
Distributions paid - December	7,240	3.70	3,263	2.09	24,359	109.09	12,382	78.56
Distributions paid - January	7,920	4.05	3,362	2.10	-	-	-	-
Distributions paid - February	7,055	3.59	3,115	1.89	-	-	-	-
Distributions paid - March	8,080	4.13	3,609	2.11	27,325	114.84	24,173	129.79
Distributions paid - April	7,543	3.85	3,478	1.96	-	-	-	-
Distributions paid - May	8,982	4.60	4,094	2.24	-	-	-	-
Distributions payable - June	8,732	4.42	4,344	2.40	20,613	79.72	66,229	352.37
<b>Total distributions</b>	<b>86,249</b>	<b>44.54</b>	<b>39,661</b>	<b>25.30</b>	<b>113,501</b>	<b>493.88</b>	<b>126,362</b>	<b>730.64</b>

<sup>2</sup> *Betashares Australia 200 ETF is a quarterly distributing fund.*

4 Distributions to unitholders (continued)

	Australian Dividend Harvester Fund				Australian Quality ETF <sup>3</sup>			
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2022	2022	2023	2023	2022	2022
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid - July	1,023	7.40	823	6.72	-	-	-	-
Distributions paid - August	1,047	7.40	837	6.72	-	-	-	-
Distributions paid - September	998	7.10	844	6.72	-	-	-	-
Distributions paid - October	993	7.10	836	6.72	-	-	-	-
Distributions paid - November	980	7.10	851	6.72	-	-	-	-
Distributions paid - December	1,002	7.10	920	7.20	268	41.23	-	-
Distributions paid - January	996	7.10	935	7.20	-	-	-	-
Distributions paid - February	1,012	7.10	942	7.20	-	-	-	-
Distributions paid - March	1,027	7.10	914	7.20	-	-	-	-
Distributions paid - April	1,035	7.10	929	7.20	-	-	-	-
Distributions paid - May	1,051	7.10	958	7.20	-	-	-	-
Distributions payable - June	1,045	7.10	1,420	10.50	190	27.03	74	16.48
<b>Total distributions</b>	<b>12,209</b>	<b>85.80</b>	11,209	87.30	<b>458</b>	<b>68.26</b>	74	16.48

<sup>3</sup> Betashares Australian Quality ETF is a semi-annual distributing fund.

**4 Distributions to unitholders (continued)**

	Australian Financials Sector ETF				Australian Resources Sector ETF			
	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU
	Distributions paid - December	1,695	32.50	1,587	31.11	5,669	25.28	3,645
Distributions payable - June	455	9.41	567	12.04	4,645	21.14	13,768	85.56
<b>Total distributions</b>	<b>2,150</b>	<b>41.91</b>	<b>2,154</b>	<b>43.15</b>	<b>10,314</b>	<b>46.42</b>	<b>17,413</b>	<b>114.13</b>

	Australian Small Companies Select Fund				Australian Sustainability Leaders ETF			
	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU
	Distributions paid - December	1,490	7.14	844	4.82	14,023	18.71	11,699
Distributions payable - June	1,284	5.99	2,563	13.49	13,970	20.36	29,089	42.71
<b>Total distributions</b>	<b>2,774</b>	<b>13.13</b>	<b>3,407</b>	<b>18.31</b>	<b>27,993</b>	<b>39.07</b>	<b>40,788</b>	<b>60.85</b>

	Ex-20 Portfolio Diversifier ETF				FTSE RAFI Australia 200 ETF			
	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU
	Distributions paid - December	3,859	33.62	2,867	25.70	12,192	39.30	8,970
Distributions payable - June	4,037	34.22	3,330	27.38	12,393	42.78	20,763	73.51
<b>Total distributions</b>	<b>7,896</b>	<b>67.84</b>	<b>6,197</b>	<b>53.08</b>	<b>24,585</b>	<b>82.08</b>	<b>29,733</b>	<b>107.09</b>

#### 4 Distributions to unitholders (continued)

	<b>Managed Risk Australian Share Fund</b>			
	<b>30 June</b>	<b>30 June</b>	30 June	30 June
	<b>2023</b>	<b>2023</b>	2022	2022
	<b>\$'000</b>	<b>CPU</b>	\$'000	CPU
Distributions paid - December	790	43.02	418	33.80
Distributions payable - June	466	26.77	716	35.17
<b>Total distributions</b>	<b>1,256</b>	<b>69.79</b>	1,134	68.97

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 year, some distributions were satisfied by the issue of units (reinvestment). See Note 3.

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

The Funds measure and recognise the following assets and liabilities at fair value on a recurring basis:

	<b>Active Australian Hybrids Fund</b>		<b>Australia 200 ETF</b>		<b>Australian Dividend Harvester Fund</b>		<b>Australian Quality ETF<sup>1</sup></b>	
	<b>30 June</b>	30 June	<b>30 June</b>	30 June	<b>30 June</b>	30 June	<b>30 June</b>	30 June
	<b>2023</b>	2022	<b>2023</b>	2022	<b>2023</b>	2022	<b>2023</b>	2022
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
<b>Financial assets at fair value through profit or loss</b>								
Listed securities	5,291	-	3,095,216	2,097,225	180,591	158,740	16,888	9,365
Listed & unlisted hybrid and debt securities	1,950,479	1,784,354	-	-	-	-	-	-
<b>Total financial assets at fair value through profit or loss</b>	<b>1,955,770</b>	1,784,354	<b>3,095,216</b>	2,097,225	<b>180,591</b>	158,740	<b>16,888</b>	9,365
<b>Financial liabilities at fair value through profit or loss</b>								
Futures contracts	-	-	-	121	-	-	-	-
<b>Total financial liabilities at fair value through profit or loss</b>	<b>-</b>	-	<b>-</b>	121	<b>-</b>	-	<b>-</b>	-

<sup>1</sup> The comparative amount for Australian Quality ETF was from 4 April 2022 to 30 June 2022.

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

The Funds measure and recognise the following assets and liabilities at fair value on a recurring basis:

	<b>Australian Financials Sector ETF</b>		<b>Australian Resources Sector ETF</b>		<b>Australian Small Companies Select Fund</b>		<b>Australian Sustainability Leaders ETF</b>	
	<b>30 June 2023</b>	<b>30 June 2022</b>	<b>30 June 2023</b>	<b>30 June 2022</b>	<b>30 June 2023</b>	<b>30 June 2022</b>	<b>30 June 2023</b>	<b>30 June 2022</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets at fair value through profit or loss</b>								
Futures contracts	42	-	4	-	-	-	-	-
Listed securities	54,941	49,565	170,407	120,724	70,509	61,553	1,257,376	1,131,276
<b>Total financial assets at fair value through profit or loss</b>	<b>54,983</b>	<b>49,565</b>	<b>170,411</b>	<b>120,724</b>	<b>70,509</b>	<b>61,553</b>	<b>1,257,376</b>	<b>1,131,276</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Futures contracts	-	6	-	12	-	-	-	113
<b>Total financial liabilities at fair value through profit or loss</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>113</b>
	<b>Ex-20 Portfolio Diversifier ETF</b>		<b>FTSE RAFI Australia 200 ETF</b>		<b>Managed Risk Australian Share Fund</b>			
	<b>30 June 2023</b>	<b>30 June 2022</b>	<b>30 June 2023</b>	<b>30 June 2022</b>	<b>30 June 2023</b>	<b>30 June 2022</b>	<b>30 June 2023</b>	<b>30 June 2022</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets at fair value through profit or loss</b>								
Futures contracts	-	11	-	-	-	-	-	561
Listed securities	231,569	215,388	423,280	388,563	26,532	29,292	26,532	29,292
<b>Total financial assets at fair value through profit or loss</b>	<b>231,569</b>	<b>215,399</b>	<b>423,280</b>	<b>388,563</b>	<b>26,532</b>	<b>388,563</b>	<b>26,532</b>	<b>29,853</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Futures contracts	-	-	-	-	23	67	67	-
<b>Total financial liabilities at fair value through profit or loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23</b>	<b>67</b>	<b>67</b>	<b>-</b>

An overview of the fair value measurements relating to financial instruments at fair value through profit or loss is included in Note 11 to the financial statements.

**6 Other receivables**

	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Quality ETF	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Applications receivable	655	733	-	-	-	1,212	1,220	-
Dividends/Distributions receivable	-	-	15,376	10,441	1,426	2,188	96	66
Income on convertible instruments	4,837	528	-	-	-	-	-	-
Interest receivable	72	12	3	1	2	-	-	-
GST receivable	199	173	20	28	23	85	1	-
Other receivables	-	2	-	-	-	2	-	-
<b>Total other receivables</b>	<b>5,763</b>	<b>1,448</b>	<b>15,399</b>	<b>10,470</b>	<b>1,451</b>	<b>3,487</b>	<b>1,317</b>	<b>66</b>

	Australian Financials Sector ETF		Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders ETF	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Applications receivable	-	-	3,930	-	43	61	-	3,377
Dividends/Distributions receivable	463	489	12	-	296	136	3,816	3,551
Interest receivable	1	-	3	-	2	1	2	-
GST receivable	3	3	10	8	8	5	109	103
<b>Total other receivables</b>	<b>467</b>	<b>492</b>	<b>3,955</b>	<b>8</b>	<b>349</b>	<b>203</b>	<b>3,927</b>	<b>7,031</b>

	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Applications receivable	-	-	1,970	-	8,833	12,846
Dividends/Distributions receivable	-	-	847	844	2,441	2,018
Interest receivable	-	-	1	-	1	-
GST receivable	-	-	12	11	30	68
Other receivables	-	-	-	-	-	1
<b>Total other receivables</b>	<b>-</b>	<b>-</b>	<b>2,830</b>	<b>855</b>	<b>11,305</b>	<b>14,932</b>

## 7 Other payables

	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Quality ETF	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Redemptions payable	215	2,761	-	-	-	-	-	-
Management fees payable	725	669	99	125	95	88	4	3
Expense recoveries payable	161	149	-	-	10	9	-	-
Other payables	6	38	765	585	10	56	1	-
<b>Total other payables</b>	<b>1,107</b>	<b>3,617</b>	<b>864</b>	<b>710</b>	<b>115</b>	<b>153</b>	<b>5</b>	<b>3</b>

	Australian Financials Sector ETF		Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders ETF	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Redemptions payable	-	-	-	-	57	35	-	-
Management fees payable	14	16	46	36	19	17	402	364
Expense recoveries payable	-	-	-	-	4	4	103	93
Performance fees payable	-	-	-	-	-	182	-	-
Other payables	3	2	4	2	-	1	35	33
<b>Total other payables</b>	<b>17</b>	<b>18</b>	<b>50</b>	<b>38</b>	<b>80</b>	<b>239</b>	<b>540</b>	<b>490</b>

	Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Management fees payable	38	37	101	97	9	10
Expense recoveries payable	9	9	34	32	2	2
Other payables	9	8	6	46	1	-
<b>Total other payables</b>	<b>56</b>	<b>54</b>	<b>141</b>	<b>175</b>	<b>12</b>	<b>12</b>

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

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

	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Quality ETF <sup>1</sup>	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>								
Profit/(loss)	102,035	(30,919)	328,731	(146,288)	19,344	(17,086)	2,337	(1,562)
Proceeds from sale of financial instruments at fair value through profit or loss	1,029,899	232,755	304,900	870,458	361,479	608,097	5,132	2,006
Payments for the purchase of financial instruments at fair value through profit or loss	(1,180,488)	(889,124)	(1,094,358)	(1,708,496)	(375,901)	(642,391)	(9,600)	(13,005)
Net (gains)/losses on financial instruments at fair value through profit or loss	(26,769)	60,901	(210,061)	225,094	(8,634)	28,891	(1,840)	1,634
Movements in cash held on collateral	-	-	(1,481)	-	-	-	(21)	-
Net change in dividends/distributions receivable	-	-	(4,935)	(10,441)	762	(909)	(30)	(66)
Net change in interest receivable	(60)	(10)	(2)	(1)	(2)	-	-	-
Net change in income receivable on convertible instruments	(4,309)	94	-	-	-	-	-	-
Net change in receivables and other assets	(26)	(19)	8	5,754	64	(47)	(1)	-
Net change in payables and other liabilities	38	246	154	342	(38)	22	2	3
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(79,680)</b>	<b>(626,076)</b>	<b>(677,044)</b>	<b>(763,578)</b>	<b>(2,926)</b>	<b>(23,423)</b>	<b>(4,021)</b>	<b>(10,990)</b>

### (b) Components of cash and cash equivalents

Cash as at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the Statement of Financial Position as follows:

Cash	23,165	22,114	3,790	7,734	468	-	107	6
Margin Account	-	-	-	1,363	-	-	-	-
	<b>23,165</b>	<b>22,114</b>	<b>3,790</b>	<b>9,097</b>	<b>468</b>	<b>-</b>	<b>107</b>	<b>6</b>

<sup>1</sup> The comparative amount for Australian Quality ETF was from 4 April 2022 to 30 June 2022.

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

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

	Australian Financials Sector ETF		Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders ETF	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>								
Profit/(loss)	6,700	(5,532)	29,435	(974)	3,568	(12,404)	166,192	(183,172)
Proceeds from sale of financial instruments at fair value through profit or loss	48,595	49,941	79,606	69,198	28,375	39,651	347,184	299,883
Payments for the purchase of financial instruments at fair value through profit or loss	(49,526)	(50,388)	(107,412)	(78,481)	(36,692)	(52,376)	(341,944)	(580,705)
Net (gains)/losses on financial instruments at fair value through profit or loss	(4,492)	7,724	(19,538)	8,213	(639)	13,708	(134,839)	209,365
Movements in cash held on collateral	(95)	-	(116)	-	-	-	(314)	-
Net change in dividends/distributions receivable	26	(42)	(12)	-	(160)	95	(265)	95
Net change in interest receivable	(1)	-	(3)	-	(1)	(1)	(2)	-
Net change in receivables and other assets	-	1	(2)	1	(3)	1	(6)	6
Net change in payables and other liabilities	(1)	-	12	-	(181)	182	50	29
<b>Net cash inflow/(outflow) from operating activities</b>	<b>1,206</b>	<b>1,704</b>	<b>(18,030)</b>	<b>(2,043)</b>	<b>(5,733)</b>	<b>(11,144)</b>	<b>36,056</b>	<b>(254,499)</b>

### (b) Components of cash and cash equivalents

Cash as at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the Statement of Financial Position as follows:

Cash	476	241	856	146	804	2,113	8	75
Margin Account	-	102	-	29	-	-	-	358
	<b>476</b>	<b>343</b>	<b>856</b>	<b>175</b>	<b>804</b>	<b>2,113</b>	<b>8</b>	<b>433</b>

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

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

	<b>Ex-20 Portfolio Diversifier ETF</b>		<b>FTSE RAFI Australia 200 ETF</b>		<b>Managed Risk Australian Share Fund</b>	
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>						
Profit/(loss)	<b>32,431</b>	(22,085)	<b>54,323</b>	(9,857)	<b>1,835</b>	(1,765)
Proceeds from sale of financial instruments at fair value through profit or loss	<b>138,343</b>	78,866	<b>123,581</b>	79,927	<b>11,490</b>	2,494
Payments for the purchase of financial instruments at fair value through profit or loss	<b>(128,139)</b>	(99,027)	<b>(124,393)</b>	(129,821)	<b>(7,549)</b>	(14,189)
Net (gains)/losses on financial instruments at fair value through profit or loss	<b>(24,749)</b>	28,113	<b>(33,762)</b>	25,523	<b>(571)</b>	2,560
Movements in cash held on collateral	<b>(86)</b>	-	<b>(284)</b>	-	<b>(617)</b>	-
Net change in dividends/distributions receivable	<b>(3)</b>	(163)	<b>(423)</b>	(245)	<b>(10)</b>	(41)
Net change in interest receivable	<b>(1)</b>	-	<b>(1)</b>	-	<b>(2)</b>	(1)
Net change in receivables and other assets	<b>(1)</b>	1	<b>38</b>	(37)	-	-
Net change in payables and other liabilities	<b>2</b>	1	<b>(34)</b>	45	-	2
<b>Net cash inflow/(outflow) from operating activities</b>	<b>17,797</b>	(14,294)	<b>19,045</b>	(34,465)	<b>4,576</b>	(10,940)

**(b) Components of cash and cash equivalents**

Cash as at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the Statement of Financial Position as follows:

Cash	<b>247</b>	1,468	<b>1,074</b>	2,292	<b>823</b>	1,636
Margin Account	-	133	-	338	-	1,134
	<b>247</b>	1,601	<b>1,074</b>	2,630	<b>823</b>	2,770

## **9 Financial risk management**

The Funds are exchange traded managed funds that primarily invest in a portfolio of securities listed on global financial markets.

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.

## 9 Financial risk management (continued)

### (a) Market risk (continued)

#### (i) Price risk

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

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

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

#### Sensitivity analysis

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

	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Quality ETF <sup>1</sup>	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
+10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	118,807	178,050	309,522	209,723	18,059	15,998	1,689	936
-10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	(118,807)	(178,050)	(309,522)	(209,723)	(18,059)	(15,998)	(1,689)	(936)

<sup>1</sup> The comparative amount for Australian Quality ETF was from 4 April 2022 to 30 June 2022.

## 9 Financial risk management (continued)

### (a) Market risk (continued)

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

	Australian Financials Sector ETF		Australian Resources Sector ETF		Australian Small Companies Select Fund		Australian Sustainability Leaders ETF	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
+10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	5,598	4,957	17,130	12,072	7,051	6,155	125,738	113,128
-10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	(5,598)	(4,957)	(17,130)	(12,072)	(7,051)	(6,155)	(125,738)	(113,128)
			Ex-20 Portfolio Diversifier ETF		FTSE RAFI Australia 200 ETF		Managed Risk Australian Share Fund	
			30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
			\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
+10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders			23,157	21,540	42,328	38,856	2,008	1,459
-10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders			(23,157)	(21,540)	(42,328)	(38,856)	(2,008)	(1,459)

#### (ii) Interest rate risk

##### Active Australian Hybrids Fund

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

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

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

## 9 Financial risk management (continued)

### (a) Market risk (continued)

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

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

Active Australian Hybrids Fund	Floating	Fixed	Non-interest	Total	Floating	Fixed	Non-interest	Total
	interest rate	interest rate	bearing		interest rate	interest rate	bearing	
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2023	2023	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>								
Cash and cash equivalents	23,165	-	-	23,165	22,114	-	-	22,114
Financial assets at fair value through profit or loss	769,625	-	1,186,145	1,955,770	6,758	-	1,777,596	1,784,354
Due from brokers - receivable for securities sold	-	-	23,413	23,413	-	-	8,922	8,922
Other receivables	-	-	5,763	5,763	-	-	1,448	1,448
<b>Liabilities</b>								
Due to brokers - payable for securities purchased	-	-	(25,499)	(25,499)	-	-	(16,950)	(16,950)
Distributions payable	-	-	(8,732)	(8,732)	-	-	(4,344)	(4,344)
Other payables	-	-	(1,107)	(1,107)	-	-	(3,617)	(3,617)
<b>Net exposure</b>	<b>792,790</b>	<b>-</b>	<b>1,179,983</b>	<b>1,972,773</b>	<b>28,872</b>	<b>-</b>	<b>1,763,055</b>	<b>1,791,927</b>

#### Sensitivity analysis - Interest rate risk

The table below summarises the sensitivities of the interest rate risk. The analysis is based on the assumption that interest rates increase or decrease by a "predetermined basis points" from the year end rates with all other variables held constant. The impact mainly arises from changes in the fair value of debt securities. The "predetermined basis points" for 30 June 2023 and 30 June 2022 are noted in the table below. Management have considered the movements for each investment asset type to be reasonable given the Fund's economic environment.

Active Australian Hybrids Fund (\$'000)	Currency	Sensitivity rate (basis points)	Impact on net assets attributable to unitholders			
			Increase	Decrease	Increase	Decrease
			30 June 2023	30 June 2023	30 June 2022	30 June 2022
	Australian Dollars	100*	6,968	(6,968)	282	(282)

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

## 9 Financial risk management (continued)

### (a) Market risk (continued)

#### (iii) Foreign exchange risk

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

### (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 the 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 the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

#### (iii) Debt securities

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

	<b>Active Australian Hybrids Fund</b>	
	<b>30 June 2023 \$'000</b>	30 June 2022 \$'000
<b>Rating</b>		
BBB+ to BBB-	<b>767,703</b>	3,856
<b>Total</b>	<b>767,703</b>	3,856

## 9 Financial risk management (continued)

### (b) Credit risk (continued)

#### (iv) Other

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 2023 had a credit rating of A by Standard & Poor's (S&P) (30 June 2022: A by (S&P)). At 30 June 2023, 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 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.

The following tables analyse the Funds' non-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.

	<b>Active Australian Hybrids Fund</b>							
	<b>On demand</b>	<b>Less than</b>	<b>Greater than</b>	<b>Total</b>	<b>On demand</b>	<b>Less than</b>	<b>Greater than</b>	<b>Total</b>
	<b>30 June</b>	<b>6 months</b>	<b>6 months</b>		<b>30 June</b>	<b>30 June</b>	<b>6 months</b>	
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	
Due to brokers - payable for securities purchased	-	25,499	-	25,499	-	16,950	-	16,950
Distributions payable	-	8,732	-	8,732	-	4,344	-	4,344
Other payables	-	1,107	-	1,107	-	3,617	-	3,617
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>35,338</b>	<b>-</b>	<b>35,338</b>	<b>-</b>	<b>24,911</b>	<b>-</b>	<b>24,911</b>

**9 Financial risk management (continued)**

**(c) Liquidity risk (continued)**

	<b>Australia 200 ETF</b>							
	<b>On demand</b>	<b>Less than</b>	<b>Greater than</b>	<b>Total</b>	<b>On demand</b>	<b>Less than</b>	<b>Greater than</b>	<b>Total</b>
	<b>30 June</b>	<b>6 months</b>	<b>6 months</b>		<b>30 June</b>	<b>30 June</b>	<b>6 months</b>	
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	
Due to brokers - payable for securities purchased	-	-	-	-	-	1,230	-	1,230
Distributions payable	-	20,613	-	20,613	-	66,229	-	66,229
Other payables	-	864	-	864	-	710	-	710
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>21,477</b>	<b>-</b>	<b>21,477</b>	<b>-</b>	<b>68,169</b>	<b>-</b>	<b>68,169</b>
<b>Net settled derivatives</b>								
Futures contracts	-	-	-	-	-	121	-	121
	-	-	-	-	-	121	-	121
	<b>Australian Dividend Harvester Fund</b>							
	<b>On demand</b>	<b>Less than</b>	<b>Greater than</b>	<b>Total</b>	<b>On demand</b>	<b>Less than</b>	<b>Greater than</b>	<b>Total</b>
	<b>30 June</b>	<b>6 months</b>	<b>6 months</b>		<b>30 June</b>	<b>30 June</b>	<b>6 months</b>	
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	
Bank overdraft	-	-	-	-	42	-	-	42
Due to brokers - payable for securities purchased	-	-	-	-	-	1,205	-	1,205
Distributions payable	-	1,045	-	1,045	-	1,420	-	1,420
Other payables	-	115	-	115	-	153	-	153
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>1,160</b>	<b>-</b>	<b>1,160</b>	<b>42</b>	<b>2,778</b>	<b>-</b>	<b>2,820</b>

## 9 Financial risk management (continued)

### (c) Liquidity risk (continued)

	Australian Quality 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	
	2023	2023	2023	2023	2022	2022	2022	2022
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Due to brokers - payable for securities purchased	-	1,217	-	1,217	-	-	-	-
Distributions payable	-	190	-	190	-	74	-	74
Other payables	-	5	-	5	-	3	-	3
<b>Contractual cash flows (excluding net settled derivatives)</b>	-	<b>1,412</b>	-	<b>1,412</b>	-	<b>77</b>	-	<b>77</b>
	Australian Financials Sector 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	
	2023	2023	2023	2023	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Distributions payable	-	455	-	455	-	567	-	567
Other payables	-	17	-	17	-	18	-	18
<b>Contractual cash flows (excluding net settled derivatives)</b>	-	<b>472</b>	-	<b>472</b>	-	<b>585</b>	-	<b>585</b>
<b>Net settled derivatives</b>								
Futures contracts	-	-	-	-	-	6	-	6
	-	-	-	-	-	6	-	6

**9 Financial risk management (continued)**

**(c) Liquidity risk (continued)**

**Australian Resources Sector ETF**

	On demand 30 June 2023 \$'000	Less than 6 months 30 June 2023 \$'000	Greater than 6 months 30 June 2023 \$'000	Total 30 June 2023 \$'000	On demand 30 June 2022 \$'000	Less than 6 months 30 June 2022 \$'000	Greater than 6 months 30 June 2022 \$'000	Total 30 June 2022 \$'000
Due to brokers - payable for securities purchased	-	2,355	-	2,355	-	-	-	-
Distributions payable	-	4,645	-	4,645	-	13,768	-	13,768
Other payables	-	50	-	50	-	38	-	38
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>7,050</b>	<b>-</b>	<b>7,050</b>	<b>-</b>	<b>13,806</b>	<b>-</b>	<b>13,806</b>
<b>Net settled derivatives</b>								
Futures contracts	-	-	-	-	-	12	-	12
	-	-	-	-	-	12	-	12

**Australian Small Companies Select Fund**

	On demand 30 June 2023 \$'000	Less than 6 months 30 June 2023 \$'000	Greater than 6 months 30 June 2023 \$'000	Total 30 June 2023 \$'000	On demand 30 June 2022 \$'000	Less than 6 months 30 June 2022 \$'000	Greater than 6 months 30 June 2022 \$'000	Total 30 June 2022 \$'000
Distributions payable	-	1,284	-	1,284	-	2,563	-	2,563
Other payables	-	80	-	80	-	239	-	239
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>1,364</b>	<b>-</b>	<b>1,364</b>	<b>-</b>	<b>2,802</b>	<b>-</b>	<b>2,802</b>

**9 Financial risk management (continued)**

**(c) Liquidity risk (continued)**

**Australian Sustainability Leaders ETF**

	On demand 30 June 2023 \$'000	Less than 6 months 30 June 2023 \$'000	Greater than 6 months 30 June 2023 \$'000	Total 30 June 2023 \$'000	On demand 30 June 2022 \$'000	Less than 6 months 30 June 2022 \$'000	Greater than 6 months 30 June 2022 \$'000	Total 30 June 2022 \$'000
Due to brokers - payable for securities purchased	-	-	-	-	-	3,379	-	3,379
Distributions payable	-	13,970	-	13,970	-	29,089	-	29,089
Other payables	-	540	-	540	-	490	-	490
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>14,510</b>	<b>-</b>	<b>14,510</b>	<b>-</b>	<b>32,958</b>	<b>-</b>	<b>32,958</b>
<b>Net settled derivatives</b>								
Futures contracts	-	-	-	-	-	113	-	113
	-	-	-	-	-	113	-	113

**Ex-20 Portfolio Diversifier ETF**

	On demand 30 June 2023 \$'000	Less than 6 months 30 June 2023 \$'000	Greater than 6 months 30 June 2023 \$'000	Total 30 June 2023 \$'000	On demand 30 June 2022 \$'000	Less than 6 months 30 June 2022 \$'000	Greater than 6 months 30 June 2022 \$'000	Total 30 June 2022 \$'000
Due to brokers - payable for securities purchased	-	1,970	-	1,970	-	341	-	341
Distributions payable	-	4,037	-	4,037	-	3,330	-	3,330
Other payables	-	56	-	56	-	54	-	54
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>6,063</b>	<b>-</b>	<b>6,063</b>	<b>-</b>	<b>3,725</b>	<b>-</b>	<b>3,725</b>

**9 Financial risk management (continued)**

**(c) Liquidity risk (continued)**

<b>FTSE RAFI Australia 200 ETF</b>							
	Less than 6 months 30 June 2023 \$'000	Greater than 6 months 30 June 2023 \$'000	Total 30 June 2023 \$'000		Less than 6 months 30 June 2022 \$'000	Greater than 6 months 30 June 2022 \$'000	Total 30 June 2022 \$'000
On demand 30 June 2023 \$'000				On demand 30 June 2022 \$'000			
Due to brokers - payable for securities purchased	-	8,831	8,831	-	8,634	-	8,634
Distributions payable	-	12,393	12,393	-	20,763	-	20,763
Other payables	-	141	141	-	175	-	175
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>21,365</b>	<b>21,365</b>	<b>-</b>	<b>29,572</b>	<b>-</b>	<b>29,572</b>
<b>Net settled derivatives</b>							
Futures contracts	-	-	-	-	23	-	23
	-	-	-	-	23	-	23
<b>Managed Risk Australian Share Fund</b>							
	Less than 6 months 30 June 2023 \$'000	Greater than 6 months 30 June 2023 \$'000	Total 30 June 2023 \$'000		Less than 6 months 30 June 2022 \$'000	Greater than 6 months 30 June 2022 \$'000	Total 30 June 2022 \$'000
On demand 30 June 2023 \$'000				On demand 30 June 2022 \$'000			
Due to brokers - payable for securities purchased	-	-	-	-	18	-	18
Distributions payable	-	466	466	-	716	-	716
Other payables	-	12	12	-	12	-	12
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>478</b>	<b>478</b>	<b>-</b>	<b>746</b>	<b>-</b>	<b>746</b>
<b>Net settled derivatives</b>							
Futures contracts	-	67	67	-	-	-	-
	-	67	67	-	-	-	-

## 10 Offsetting financial assets and financial liabilities

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

	Effects of offsetting on the statements of financial position			Related amounts not offset in the statements of financial position		
	Gross amounts of financial assets/(liabilities)	Gross amounts set off in the statements of financial position	Net amount of financial assets/ (liabilities) presented in the statements of financial position	Financial instruments (including non- cash collateral)	Stock and cash collateral pledged	Net amounts
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Australia 200 ETF</b>						
<b>As at 30 June 2023</b>						
<b>Financial liabilities</b>						
Futures contracts	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
<b>As at 30 June 2022</b>						
<b>Financial liabilities</b>						
Futures contracts	(121)	-	(121)	-	-	(121)
<b>Total</b>	(121)	-	(121)	-	-	(121)

**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>Australian Financials Sector ETF</b>						
<b>As at 30 June 2023</b>						
<b>Financial assets</b>						
Futures contracts	42	-	42	-	-	42
<b>Total</b>	<b>42</b>	<b>-</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>42</b>
<b>As at 30 June 2022</b>						
<b>Financial liabilities</b>						
Futures contracts	(6)	-	(6)	-	-	(6)
<b>Total</b>	<b>(6)</b>	<b>-</b>	<b>(6)</b>	<b>-</b>	<b>-</b>	<b>(6)</b>
<b>Australian Resources Sector ETF</b>						
<b>As at 30 June 2023</b>						
<b>Financial assets</b>						
Futures contracts	4	-	4	-	-	4
<b>Total</b>	<b>4</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>4</b>
<b>As at 30 June 2022</b>						
<b>Financial liabilities</b>						
Futures contracts	(12)	-	(12)	-	-	(12)
<b>Total</b>	<b>(12)</b>	<b>-</b>	<b>(12)</b>	<b>-</b>	<b>-</b>	<b>(12)</b>

**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>Australian Sustainability Leaders ETF</b>						
<b>As at 30 June 2023</b>						
<b>Financial liabilities</b>						
Futures contracts	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
<b>As at 30 June 2022</b>						
Financial liabilities						
Futures contracts	(113)	-	(113)	-	-	(113)
<b>Total</b>	(113)	-	(113)	-	-	(113)
<b>Ex-20 Portfolio Diversifier ETF</b>						
<b>As at 30 June 2023</b>						
<b>Financial assets</b>						
Futures contracts	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
<b>As at 30 June 2022</b>						
Financial assets						
Futures contracts	11	-	11	-	-	11
<b>Total</b>	11	-	11	-	-	11

**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>FTSE RAFI Australia 200 ETF</b>						
<b>As at 30 June 2023</b>						
Financial liabilities						
Futures contracts	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at 30 June 2022</b>						
Financial liabilities						
Futures contracts	(23)	-	(23)	-	-	(23)
<b>Total</b>	<b>(23)</b>	<b>-</b>	<b>(23)</b>	<b>-</b>	<b>-</b>	<b>(23)</b>

**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>Managed Risk Australian Share Fund</b>						
<b>As at 30 June 2023</b>						
<b>Financial liabilities</b>						
Futures contracts	(67)	-	(67)	-	(67)	-
<b>Total</b>	<b>(67)</b>	<b>-</b>	<b>(67)</b>	<b>-</b>	<b>(67)</b>	<b>-</b>
<b>As at 30 June 2022</b>						
Financial assets						
Futures contracts	561	-	561	-	-	561
<b>Total</b>	<b>561</b>	<b>-</b>	<b>561</b>	<b>-</b>	<b>-</b>	<b>561</b>

Agreements with over-the-counter derivative counterparties are based on the International Swaps and Derivatives Association (ISDA) Master Agreement. Under the terms of these arrangements, only when certain credit events occur (such as default), the net position owing/receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements terminated. As the Fund does not presently have a legally enforceable right of set-off, these amounts have not been offset in the statement of financial position but have been presented separately in the above table.

## **11 Fair value measurements**

AASB 13 *Fair Value Measurement* 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 year 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 year 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 year 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 year. 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.

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

(iii) *Recognised fair value measurements*

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

	<b>Active Australian Hybrids Fund</b>							
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	Level 1	Level 2	Level 3	Total
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	30 June	30 June	30 June	30 June
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	2022	2022	2022	2022
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Listed securities	5,291	-	-	5,291	-	-	-	-
Listed & unlisted hybrid and debt securities	1,182,776	767,703	-	1,950,479	1,780,498	3,856	-	1,784,354
<b>Total</b>	<b>1,188,067</b>	<b>767,703</b>	-	<b>1,955,770</b>	1,780,498	3,856	-	1,784,354

## 11 Fair value measurements (continued)

### Fair value estimation (continued)

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

		<b>Australia 200 ETF</b>						
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Listed securities	3,095,216	-	-	3,095,216	2,095,008	-	2,218	2,097,226
<b>Total</b>	<b>3,095,216</b>	<b>-</b>	<b>-</b>	<b>3,095,216</b>	<b>2,095,008</b>	<b>-</b>	<b>2,218</b>	<b>2,097,226</b>
<b>Financial liabilities</b>								
Financial liabilities at fair value through profit or loss:								
Futures contracts	-	-	-	-	121	-	-	121
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>121</b>	<b>-</b>	<b>-</b>	<b>121</b>
		<b>Australian Dividend Harvester Fund</b>						
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Listed securities	180,591	-	-	180,591	158,740	-	-	158,740
<b>Total</b>	<b>180,591</b>	<b>-</b>	<b>-</b>	<b>180,591</b>	<b>158,740</b>	<b>-</b>	<b>-</b>	<b>158,740</b>

## 11 Fair value measurements (continued)

### Fair value estimation (continued)

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

	<b>Australian Quality ETF<sup>1</sup></b>							
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Listed securities	16,888	-	-	16,888	9,365	-	-	9,365
<b>Total</b>	<b>16,888</b>	<b>-</b>	<b>-</b>	<b>16,888</b>	<b>9,365</b>	<b>-</b>	<b>-</b>	<b>9,365</b>
	<b>Australian Financials Sector ETF</b>							
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Futures contracts	42	-	-	42	-	-	-	-
Listed securities	54,941	-	-	54,941	49,565	-	-	49,565
<b>Total</b>	<b>54,983</b>	<b>-</b>	<b>-</b>	<b>54,983</b>	<b>49,565</b>	<b>-</b>	<b>-</b>	<b>49,565</b>
<b>Financial liabilities</b>								
Financial liabilities at fair value through profit or loss:								
Futures contracts	-	-	-	-	6	-	-	6
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>6</b>

<sup>1</sup> The comparative amount for Australian Quality ETF was from 4 April 2022 to 30 June 2022.

**11 Fair value measurements (continued)**

**Fair value estimation (continued)**

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

	<b>Australian Resources Sector ETF</b>							
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Futures contracts	4	-	-	4	-	-	-	-
Listed securities	170,407	-	-	170,407	120,263	-	460	120,723
<b>Total</b>	<b>170,411</b>	<b>-</b>	<b>-</b>	<b>170,411</b>	<b>120,263</b>	<b>-</b>	<b>460</b>	<b>120,723</b>

**Financial liabilities**

Financial liabilities at fair value through profit or loss:

Futures contracts	-	-	-	-	12	-	-	12
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>12</b>

	<b>Australian Small Companies Select Fund</b>							
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Listed securities	70,509	-	-	70,509	61,553	-	-	61,553
<b>Total</b>	<b>70,509</b>	<b>-</b>	<b>-</b>	<b>70,509</b>	<b>61,553</b>	<b>-</b>	<b>-</b>	<b>61,553</b>

## 11 Fair value measurements (continued)

### Fair value estimation (continued)

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

		<b>Australian Sustainability Leaders ETF</b>							
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
		<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
		<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>									
Financial assets at fair value through profit or loss:									
	Listed securities	1,257,376	-	-	1,257,376	1,131,127	-	149	1,131,276
<b>Total</b>		<b>1,257,376</b>	<b>-</b>	<b>-</b>	<b>1,257,376</b>	<b>1,131,127</b>	<b>-</b>	<b>149</b>	<b>1,131,276</b>
<b>Financial liabilities</b>									
Financial liabilities at fair value through profit									
	Futures contracts	-	-	-	-	113	-	-	113
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>113</b>	<b>-</b>	<b>-</b>	<b>113</b>
		<b>Ex-20 Portfolio Diversifier ETF</b>							
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
		<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
		<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>									
Financial assets at fair value through profit or loss:									
	Futures contracts	-	-	-	-	11	-	-	11
	Listed securities	231,569	-	-	231,569	214,788	-	600	215,388
<b>Total</b>		<b>231,569</b>	<b>-</b>	<b>-</b>	<b>231,569</b>	<b>214,799</b>	<b>-</b>	<b>600</b>	<b>215,399</b>

## 11 Fair value measurements (continued)

### Fair value estimation (continued)

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

		<b>FTSE RAFI Australia 200 ETF</b>							
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
		<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
		<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>									
Financial assets at fair value through profit or loss:									
	Listed securities	423,280	-	-	423,280	388,563	-	-	388,563
<b>Total</b>		<b>423,280</b>	<b>-</b>	<b>-</b>	<b>423,280</b>	<b>388,563</b>	<b>-</b>	<b>-</b>	<b>388,563</b>
<b>Financial liabilities</b>									
Financial liabilities at fair value through profit or loss:									
	Futures contracts	-	-	-	-	23	-	-	23
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>23</b>
		<b>Managed Risk Australian Share Fund</b>							
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
		<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
		<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>									
Financial assets at fair value through profit or loss:									
	Futures contracts	-	-	-	-	561	-	-	561
	Listed securities	26,532	-	-	26,532	29,264	-	28	29,292
<b>Total</b>		<b>26,532</b>	<b>-</b>	<b>-</b>	<b>26,532</b>	<b>29,825</b>	<b>-</b>	<b>28</b>	<b>29,853</b>
<b>Financial liabilities</b>									
Financial liabilities at fair value through profit or loss:									
	Futures contracts	67	-	-	67	-	-	-	-
<b>Total</b>		<b>67</b>	<b>-</b>	<b>-</b>	<b>67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 11 Fair value measurements (continued)

### (iv) Transfers between levels

There were no transfers between levels during the year ended 30 June 2023 and year ended 30 June 2022.

### (v) Movement in level 3 instruments

The following table presents the Funds that had movement in level 3 instruments for the year ended 30 June 2023 and 30 June 2022 by class of financial instrument:

	Listed securities		Listed securities		Listed securities	
	Australia 200 ETF	30 June 2022	Ex-20 Portfolio Diversifier ETF	30 June 2022	Australian Sustainability Leaders ETF	30 June 2022
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	2,218	-	600	-	149	149
Purchases	-	2,545	-	583	-	-
Sales	-	(350)	-	(6)	(31)	-
Gains/(losses) recognised in profit or loss	(2,218)	23	(600)	23	(118)	-
<b>Closing balance</b>	-	2,218	-	600	-	149
Total gains/(losses) for the year included in the statements of comprehensive income	(2,218)	23	(600)	23	(118)	-

## 11 Fair value measurements (continued)

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

	Listed securities		Listed securities		Listed securities	
	FTSE RAFI Australia 200 ETF		Australian Resources Sector ETF		Managed Risk Australian Share Fund	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
Opening balance	-	19	460	-	28	-
Purchases	-	-	-	624	-	33
Sales	-	-	-	(142)	-	-
Transfers into/(out) from level 3	-	-	-	-	-	-
Gains/(losses) recognised in profit or loss	-	(19)	(460)	(22)	(28)	(5)
<b>Closing balance</b>	-	-	-	460	-	28
Total gains/(losses) for the year included in the statements of comprehensive income	-	(19)	(460)	(22)	(28)	(5)

\*includes unrealised gains or (losses) recognised in profit or loss attributable to balances held at the end of the reporting period.

### Fair value measurements using significant unobservable inputs (Level 3)

An investment held in AVZ Minerals Ltd (ASX Code: AVZ) in each of Australia A200 ETF, Ex-20 Portfolio Diversifier ETF, Australian Resources Sector ETF, and Managed Risk Australian Share Fund was purchased during the year ended 30 June 2022 and suspended from ASX on 11 May 2022. AVZ remained suspended from trading at 30 June 2023.

### Valuation process

Portfolio reviews are undertaken regularly by management to identify securities that potentially may not be actively traded or have stale security pricing. This process identifies securities which possibly could be regarded as level 3 securities.

Further analysis, should it be required, is undertaken to determine the accounting significance of the identification. For certain security types, in selecting the most appropriate valuation model, management performs back testing and considers actual market transactions. Changes in allocation to or from level 3 are analysed at the end of each reporting period.

(vi) *Fair value 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 (deemed to be the redemption price for individual units) due to differences in valuation inputs. The difference is not material in the current year.

## 12 Derivative financial instruments

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

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

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

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

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

The following Funds held derivative instruments:

### Futures Contracts

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

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

	Australia 200 ETF						Australian Financials Sector ETF					
	Fair values			Fair values			Fair values			Fair values		
	Contract/ notional	Assets	Liabilities	Contract/ notional	Assets	Liabilities	Contract/ notional	Assets	Liabilities	Contract/ notional	Assets	Liabilities
	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000
Futures contracts	-	-	-	17,283	-	121	1,040	42	-	795	-	6
	-	-	-	17,283	-	121	1,040	42	-	795	-	6



### 13 Auditor's remuneration

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

	<b>Active Australian Hybrids Fund</b>		<b>Australia 200 ETF</b>		<b>Australian Dividend Harvester Fund</b>		<b>Australian Quality ETF<sup>1</sup></b>	
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>KPMG</b>	\$	\$	\$	\$	\$	\$	\$	\$
<i>Audit and other assurance service</i>								
Audit and review of financial reports	7,529	7,529	4,982	4,982	7,529	7,529	4,982	4,252
Audit of compliance plan	1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230
Total remuneration of audit and other assurance services	8,759	8,759	6,212	6,212	8,759	8,759	6,212	5,482

	<b>Australian Financials Sector ETF</b>		<b>Australian Resources Sector ETF</b>		<b>Australian Small Companies Select Fund</b>		<b>Australian Sustainability Leaders ETF</b>	
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<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	4,982	4,982
Audit of compliance plan	1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230
Total remuneration of audit and other assurance services	6,212	6,212	6,212	6,212	6,212	6,212	6,212	6,212

	<b>Ex-20 Portfolio Diversifier ETF</b>		<b>FTSE RAFI Australia 200 ETF</b>		<b>Managed Risk Australian Share Fund</b>	
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>KPMG</b>	\$	\$	\$	\$	\$	\$
<i>Audit and other assurance service</i>						
Audit and review of financial reports	4,982	4,982	4,982	4,982	7,529	7,529
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	8,759	8,759

<sup>1</sup> The comparative amount for Australian Quality ETF was from 4 April 2022 to 30 June 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 year 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 year.

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

The Responsible Entity's fees are calculated in accordance with the Funds' Constitutions. The Responsible Entity's fees comprise a management fee and (if applicable) expense recoveries (after taking account of GST and reduced input tax credits), which are calculated as a percentage of the net asset value of the Funds and are disclosed in the statements of comprehensive income. A performance fee may be payable by certain Funds. The fee is calculated based on the relevant Fund's performance relative to its benchmark. The fee is calculated and accrued each business day. Provided the relevant Fund outperforms the benchmark for a performance fee period (quarter ending 31 March, 30 June, 30 September and 31 December), a performance fee may be payable. The following table discloses the Responsible Entity's fees for 30 June 2023 and 30 June 2022:

Funds	Management Fee		Expense Recoveries		Performance Fee	
	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2022	2023	2022	2023	2022
	%	%	%	%	%	%
Active Australian Hybrids Fund	0.45	0.45	0.10	0.10	15.50	15.50
Australia 200 ETF*	0.04	0.07	-	-	-	-
Australian Dividend Harvester Fund	0.65	0.65	0.07	0.07	-	-
Australian Quality ETF	0.35	0.35	-	-	-	-
Australian Financials Sector ETF	0.34	0.34	-	-	-	-

\*Effective 22 May 2023, Australia 200 ETF's management fee reduced from 0.07% p.a to 0.04% p.a. of the Fund's net asset value.

## 14 Related party transactions (continued)

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

Funds	Management Fee		Expense Recoveries		Performance Fee	
	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2022	2023	2022	2023	2022
	%	%	%	%	%	%
Australian Resources Sector ETF	0.34	0.34	-	-	-	-
Australian Small Companies Select Fund	0.32	0.32	0.07	0.07	15.50	15.50
Australian Sustainability Leaders ETF	0.39	0.39	0.10	0.10	-	-
Ex-20 Portfolio Diversifier ETF	0.20	0.20	0.05	0.05	-	-
FTSE RAFI Australia 200 ETF	0.30	0.30	0.10	0.10	-	-
Managed Risk Australian Share Fund	0.39	0.39	0.10	0.10	-	-

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

	Active Australian Hybrids Fund		Australia 200 ETF		Australian Dividend Harvester Fund		Australian Quality ETF <sup>1</sup>	
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2022	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$
Management fees expensed to the Responsible Entity	8,717,161	7,078,411	1,543,412	1,380,885	1,141,398	1,098,009	47,827	7,152
Management fees payable to the Responsible Entity at reporting date	725,466	668,992	99,426	124,678	96,948	87,894	4,235	2,810
Expense recoveries expensed to the Responsible Entity	1,937,147	1,574,315	-	-	122,920	402,784	-	-
Expense recoveries payable to the Responsible Entity at reporting date	161,215	148,665	-	-	10,440	9,465	-	-
Management fees rebate received from the Responsible Entity	108,567	25,235	-	-	25,606	63,387	-	-
Management fees rebate receivable from the Responsible Entity at reporting date	784	1,847	-	-	1,503	2,332	-	-

<sup>1</sup> The comparative amount for Australian Quality ETF was from 4 April 2022 to 30 June 2022.



## 14 Related party transactions (continued)

### Related party unitholdings

During the financial period, parties related to the Funds, including the Responsible Entity, its affiliates or other schemes managed by the Responsible Entity, held units in the Funds and information about the investments held by these related parties in certain Funds is included in the following tables.

#### Active Australian Hybrids Fund

2023	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
Unitholder							
Betashares Capital Ltd	100,000	-	-	-	-	100,000	-
<b>Total</b>	<b>100,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100,000</b>	<b>-</b>

2022	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
Unitholder							
Betashares Capital Ltd	100,000	100,000	992,000	0.06	-	-	25,295
<b>Total</b>	<b>100,000</b>	<b>100,000</b>	<b>992,000</b>	<b>0.06</b>	<b>-</b>	<b>-</b>	<b>25,295</b>

#### Australia 200 ETF

2023	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
Unitholder							
Betashares Australian Dividend Harvester Fund	350,882	380,195	45,504,152	1.47	54,606	25,293	1,832,999
Betashares Diversified All Growth ETF	510,597	735,070	87,977,845	2.84	224,473	-	3,245,813
Betashares Australia 200 Fund	-	156	18,671	-	156	-	124
<b>Total</b>	<b>861,479</b>	<b>1,115,421</b>	<b>133,500,668</b>	<b>4.31</b>	<b>279,235</b>	<b>25,293</b>	<b>5,078,936</b>

**14 Related party transactions (continued)**

**Related party unitholdings (continued)**

***Australia 200 ETF (continued)***

2022	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
Unitholder							
Betashares Australian Dividend Harvester Fund	1,233,367	350,882	38,305,487	1.87	1,629,828	2,512,313	5,212,107
Betashares Diversified All Growth ETF	164,702	510,597	55,741,437	2.72	373,815	27,920	3,179,308
<b>Total</b>	<b>1,398,069</b>	<b>861,479</b>	<b>94,046,924</b>	<b>4.59</b>	<b>2,003,643</b>	<b>2,540,233</b>	<b>8,391,415</b>

***Australian Sustainability Leaders ETF***

2023	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
Unitholder							
Betashares Ethical Diversified Balanced ETF	160,543	214,919	3,906,737	0.31	59,877	5,501	79,860
Betashares Ethical Diversified Growth ETF	351,877	516,861	9,395,354	0.75	166,019	1,035	190,827
Betashares Ethical Diversified High Growth ETF	778,548	1,167,748	21,226,994	1.70	414,630	25,430	426,153
Betashares Australian Sustainability Leaders Fund	-	507	9,216	-	509	2	103
<b>Total</b>	<b>1,290,968</b>	<b>1,900,035</b>	<b>34,538,301</b>	<b>2.76</b>	<b>641,035</b>	<b>31,968</b>	<b>696,943</b>

2022	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
Unitholder							
Betashares Ethical Diversified Balanced ETF	69,309	160,543	2,606,261	0.24	105,200	13,966	92,664
Betashares Ethical Diversified Growth ETF	99,725	351,877	5,712,385	0.52	267,617	15,465	199,188
Betashares Ethical Diversified High Growth ETF	149,449	778,548	12,638,979	1.14	630,639	1,540	422,511
<b>Total</b>	<b>318,483</b>	<b>1,290,968</b>	<b>20,957,625</b>	<b>1.90</b>	<b>1,003,456</b>	<b>30,971</b>	<b>714,363</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.

## 14 Related party transactions (continued)

### Investments

Holdings of the Funds in other related parties, including those under the management of the Responsible Entity is as follows:

#### *Active Australian Hybrids Fund*

2023	Number of units held opening	Number of units held closing	Fair value of investment	Interest held	Number of units acquired	Number of units disposed	Distributions received/ receivable by the Fund
Holding in related fund	(Units)	(Units)	(\$)	(%)	(Units)	(Units)	(\$)
Betashares Australian High Interest Cash ETF	-	105,676	5,291,056	0.17	2,247,676	2,142,000	611,411
<b>Total</b>	<b>-</b>	<b>105,676</b>	<b>5,291,056</b>	<b>0.17</b>	<b>2,247,676</b>	<b>2,142,000</b>	<b>611,411</b>
2022	Number of units held opening	Number of units held closing	Fair value of investment	Interest held	Number of units acquired	Number of units disposed	Distributions received/ receivable by the Fund
Holding in related fund	(Units)	(Units)	(\$)	(%)	(Units)	(Units)	(\$)
Betashares Australian High Interest Cash ETF	179,713	-	-	-	1,789,630	1,969,343	43,028
<b>Total</b>	<b>179,713</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,789,630</b>	<b>1,969,343</b>	<b>43,028</b>

#### *Australian Dividend Harvester Fund*

2023	Number of units held opening	Number of units held closing	Fair value of investment	Interest held	Number of units acquired	Number of units disposed	Distributions received/ receivable by the Fund
Holding in related fund	(Units)	(Units)	(\$)	(%)	(Units)	(Units)	(\$)
Australia 200 ETF	350,882	380,195	45,504,152	1.47	54,606	25,293	1,832,999
<b>Total</b>	<b>350,882</b>	<b>380,195</b>	<b>45,504,152</b>	<b>1.47</b>	<b>54,606</b>	<b>25,293</b>	<b>1,832,999</b>
2022	Number of units held opening	Number of units held closing	Fair value of investment	Interest held	Number of units acquired	Number of units disposed	Distributions received/ receivable by the Fund
Holding in related fund	(Units)	(Units)	(\$)	(%)	(Units)	(Units)	(\$)
Australia 200 ETF	1,233,367	350,882	38,305,487	1.87	1,629,828	2,512,313	5,212,107
<b>Total</b>	<b>1,233,367</b>	<b>350,882</b>	<b>38,305,487</b>	<b>1.87</b>	<b>1,629,828</b>	<b>2,512,313</b>	<b>5,212,107</b>

**15 Events occurring after the reporting period**

No significant events have occurred since the end of the reporting year which would impact on the financial position of the Funds disclosed in the statements of financial position as at 30 June 2023 or on the results and cash flows of the Funds for the year ended on that date.

**16 Contingent assets and liabilities and commitments**

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2023.

**Directors' declaration**

Betashares Capital Ltd presents the Directors' Declaration in respect of the following funds:

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

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

- (a) the financial statements and notes set out on pages 7 to 75 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 2023 and of their performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable; and
- (c) Note 2(a) confirms that the financial statements comply with International Financial Reporting Standards and Interpretations issued by the International Accounting Standards Board.

Signed in accordance with a resolution of the directors.



Alex Vynokur  
Director

Sydney  
22 September 2023



# Independent Auditor's Report

To the respective unitholders of the following Schemes:

Betashares Active Australian Hybrids Fund (managed fund)

Betashares Australia 200 ETF

Betashares Australian Dividend Harvester Fund (managed fund)

Betashares Australian Quality ETF

Betashares Australian Financials Sector ETF

Betashares Australian Resources Sector ETF

Betashares Australian Small Companies Select Fund (managed fund)

Betashares Australian Sustainability Leaders ETF

Betashares Ex-20 Portfolio Diversifier ETF

Betashares FTSE RAFI Australia 200 ETF

Betashares Managed Risk Australian Share Fund (managed fund)

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

## Opinions

We have audited each of the **Financial Reports** of the Schemes.

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

- giving a true and fair view of that Scheme's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The respective **Financial Reports** of the individual Schemes comprise:

- Statements of financial position as at 30 June 2023;
- 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 opinions

We conducted our audits 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 opinions.

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

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



Standards) (the Code) that are relevant to our audits of the Financial Reports in Australia. 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 respective audits of the Financial Reports of each Scheme in the current period.

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

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

- Valuation and existence of financial instruments.

### Valuation and existence of financial instruments

(Betashares Active Australian Hybrids Fund (managed fund) \$1,955,770,000, Betashares Australia 200 ETF \$3,095,216,000, Betashares Australian Dividend Harvester Fund (managed fund) \$180,591,000, Betashares Australian Quality ETF \$16,888,000, Betashares Australian Financials Sector ETF \$54,983,000, Betashares Australian Resources Sector ETF \$170,411,000, Betashares Australian Small Companies Select Fund (managed fund) \$70,509,000, Betashares Australian Sustainability Leaders ETF \$1,257,376,000, Betashares Ex-20 Portfolio Diversifier ETF \$231,569,000, Betashares FTSE RAFI Australia 200 ETF \$423,280,000, Betashares Managed Risk Australian Share Fund (managed fund) \$26,532,000).

Refer to Note 5 to the Financial Report

#### The key audit matter

#### How the matter was addressed in our audit

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

The Scheme outsources certain processes and controls relevant to:

- Executing transactions as instructed by the Responsible Entity and recording and valuing investments to the Scheme administrator;
- Maintaining custody and underlying records of investments to the custodian;

Valuation and existence of investments is a key audit matter due to the:

- Size of the Scheme's portfolio of investments. These investments represent a significant percentage of the Scheme's total assets at year end; and
- Importance of the performance of these

Our procedures included:

- We assessed the appropriateness of the accounting policies applied by the Scheme, including those relevant to the fair value of investments, against the requirements of the accounting standards.
- We obtained and read the Scheme's Service Provider's ASAE 3402 *Assurance Reports on Controls at a Service Organisation* and GS007 (*Guidance Statement 007 Audit Implications of the Use of Service Organisations for Investment Management Services*) assurance reports to understand the processes and assess the controls relevant to the:
  - Scheme administrator – to execute transactions, record and value the Scheme's investments;
  - Custodian – to maintain custody and underlying records of the Scheme's investments;
- We obtained and read the custodians bridging letter over the period not covered by the ASAE 3402 and GS007 assurance reports. We have checked that there were no instances of non-compliance



<p>investments in driving the Scheme's investment income and capital performance, as reported in the Financial Report.</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>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><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 2023.</li><li>• We checked the valuation of investments, as recorded in the general ledger, to independently sourced prices as at 30 June 2023.</li></ul> <p>We evaluated the Scheme's disclosures of investments, using our understanding obtained from our testing, against the requirements of the accounting standards.</p>
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## Other Information

Other Information is financial and non-financial information in the respective Scheme's annual reporting which is provided in addition to the Financial Reports and the Auditor's Report. This includes the Director's Report. The Directors of the Responsible Entity are

responsible for the Other Information.

Our opinions on the Financial Reports do 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 audits of the Financial Reports, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Reports 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 Reports

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

- preparing the Financial Reports that give 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 each Scheme's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the respective Scheme or to cease operations, or have no realistic alternative but to do so.



## Auditor's responsibilities for the audits of the Financial Reports

Our objective is:

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

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 Reports.

A further description of our responsibilities for the audits of the Financial Reports is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar2\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf). This description forms part of our Auditor's Report.

KPMG

Nicholas Buchanan  
*Partner*

Sydney  
22 September 2023

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.



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