

AMP CAPITAL ACTIVE EXCHANGE TRADED MANAGED FUNDS

ANNUAL FINANCIAL REPORT FOR THE PERIOD
FROM 11 NOVEMBER 2015 TO 30 JUNE 2016

AMP CAPITAL GLOBAL INFRASTRUCTURE SECURITIES FUND
(UNHEDGED) (MANAGED FUND) ASX CODE: GLIN
ARSN 609 146 483

AMP CAPITAL DYNAMIC MARKETS FUND
(HEDGE FUND) ASX CODE: DMKT
ARSN 609 155 731

AMP CAPITAL GLOBAL PROPERTY SECURITIES FUND
(UNHEDGED) (MANAGED FUND) ASX CODE: RENT
ARSN 609 155 606

AMP Capital active exchange traded managed funds

AMP Capital Global Infrastructure Securities Fund (Unhedged) (Managed Fund)

AMP Capital Global Property Securities Fund (Unhedged) (Managed Fund)

AMP Capital Dynamic Markets Fund (Hedge Fund)

Annual Financial Report

For the period from 11 November 2015 to 30 June 2016

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Directors' report

The directors of BetaShares Capital Ltd, the Responsible Entity of the following managed investment funds (the "Funds"), present their report together with the annual financial report of the Funds for the period from 11 November 2015 to 30 June 2016 and the auditor's report thereon.

Fund name	Referred to in this document as	Financial reporting period	ARSN
AMP Capital Global Infrastructure Securities Fund (Unhedged) (Managed Fund)	Global Infrastructure Securities Fund	11 November 2015 to 30 June 2016	ARSN 609 146 483
AMP Capital Global Property Securities Fund (Unhedged) (Managed Fund)	Global Property Securities Fund	11 November 2015 to 30 June 2016	ARSN 609 155 606
AMP Capital Dynamic Markets Fund (Hedge Fund)	Dynamic Markets Fund	11 November 2015 to 30 June 2016	ARSN 609 155 731

Responsible Entity and Investment Manager

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.

AMP Capital Investors Limited (AMP Capital) is the Investment Manager of the Funds.

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 period.

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

Directors

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

David Nathanson (appointed 21 September 2009)
Alex Vynokur (appointed 21 September 2009)
Taeyong Lee (appointed 12 August 2015)
Thomas Park (appointed 12 August 2015)

Review and results of operations

During the period, the Funds continued to invest in accordance with target asset allocations as set out in their governing documents 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 6 to the financial statements.

Directors' report (continued)

Significant changes in state of affairs

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

Matters subsequent to the end of the financial period

The AMP Capital Dynamic Markets Fund (Hedge Fund) was registered on 11 November 2015 and commenced operation on 15 July 2016.

No other matter or circumstance has arisen since 30 June 2016 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.

Likely developments and expected results of operations

The Funds will be managed in accordance with the investment objectives and guidelines as set out in the governing documents of the Funds and in accordance with the provisions of the Product Disclosure Statements and the Funds' Constitutions.

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 Responsible Entity, directors or the auditor of the Funds. As long as the officers of the Responsible Entity act in accordance with the Funds' Constitutions and the Law, the officers remain indemnified out of the assets of the Funds against losses incurred while acting on behalf of the Funds. The auditor of the Funds is in no way indemnified out of the assets of the Funds.

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

Fees paid to the Responsible Entity and its associates out of the Funds' property during the period are disclosed in note 17 of the financial statements.

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

The number of interests in the Funds held by the Responsible Entity or its associates as at the end of the financial period are disclosed in note 17 of the financial statements.

Interests in the Funds

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

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

Comparatives

This is the first period of operations of the Funds and hence there are no prior year comparatives.

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 5.

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



David Nathanson
Director



Alex Vynokur
Director

Sydney
27 September 2016



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

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

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial period ended 30 June 2016, 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



Tanya Gilerman
Partner

Sydney

27 September 2016

AMP Capital active exchange traded managed funds
Statements of comprehensive income
For the period from 11 November 2015 to 30 June 2016

Statements of comprehensive income

		Global Infrastructure Securities Fund	Global Property Securities Fund	Dynamic Markets Fund
		Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016
	Notes	\$	\$	\$
Investment income				
Dividend and distribution income	4	66,083	48,497	-
Interest income		1,616	1,750	-
Net gains/(losses) on financial assets held at fair value through profit or loss	5	72,330	(209,288)	-
Net foreign exchange gains/(losses)		2,242	19,394	-
Performance fee		-	-	-
Other operating income		7	-	-
Total net investment income/ (losses)		142,278	(139,647)	-
Expenses				
Management fees	17	8,153	9,645	-
Expense recoveries	17	510	199	-
Transaction costs		16,297	14,178	-
Other operating expenses		1,897	2,464	-
Total operating expenses		26,857	26,486	-
Operating profit/ (loss) before finance costs for the year		115,421	(166,133)	-
Finance costs attributable to unitholders				
Distributions to unitholders	6	(16,188)	(23,627)	-
Change in net assets attributable to unitholders (total comprehensive income/(loss))	3	99,233	(189,760)	-

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

Statements of financial position

	Notes	Global Infrastructure Securities Fund 30 June 2016 \$	Global Property Securities Fund 30 June 2016 \$	Dynamic Markets Fund 30 June 2016 \$
Assets				
Cash and cash equivalents	7	435,778	417,668	-
Receivables	10	49,569	94,530	-
Financial assets held at fair value through profit or loss	9	10,207,248	9,519,142	-
Total assets		10,692,595	10,031,340	-
Liabilities				
Financial liabilities held at fair value through profit or loss	11	92	5	-
Distribution payable	6	16,188	23,627	-
Other payables	12	120,312	9,844	-
Total liabilities (excluding net assets attributable to unitholders)		136,592	33,476	-
Net assets attributable to unitholders - liability	3	10,556,003	9,997,864	-

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

Statements of changes in equity

The Funds' net assets attributable to unitholders are classified as a liability under AASB 132 *Financial Instruments: Presentation*. As such, the Funds have no equity and no items of changes in equity have been presented for the current period.

Statements of cash flows

	Notes	Global Infrastructure Securities Fund Period from 11 November 2015 to 30 June 2016 \$	Global Property Securities Fund Period from 11 November 2015 to 30 June 2016 \$	Dynamic Markets Fund Period from 11 November 2015 to 30 June 2016 \$
Cash flows from operating activities				
Proceeds from maturity/sales of financial instruments held at fair value through profit or loss		250,061	239,298	-
Purchase of financial instruments held at fair value through profit or loss		(10,270,858)	(10,010,722)	-
Dividends and distributions received		14,894	14,141	-
Interest received		1,616	1,750	-
Other income received		(36)	-	-
Transaction costs		(16,297)	(14,178)	-
Other expenses paid		(233)	(132)	-
Net cash outflow from operating activities	8	(10,020,853)	(9,769,843)	-
Cash flows from financing activities				
Proceeds from applications by unitholders		10,456,770	10,187,624	-
Net cash inflow from financing activities		10,456,770	10,187,624	-
Net increase/(decrease) in cash and cash equivalents				
Cash and cash equivalents at the beginning of the year		435,917	417,781	-
Effect of exchange rate fluctuations in cash and cash equivalents		-	-	-
		(139)	(113)	-
Cash and cash equivalents at the end of the year	7	435,778	417,668	-

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	Registration date	Commencement date	Financial reporting period
Global Infrastructure Securities Fund	11 November 2015	25 May 2016	11 November 2015 to 30 June 2016
Global Property Securities Fund	11 November 2015	25 May 2016	11 November 2015 to 30 June 2016
Dynamic Markets Fund	11 November 2015	15 July 2016	11 November 2015 to 30 June 2016

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 on 27 September 2016. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

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

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

(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 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 statements of financial position is 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 investment in financial assets and net assets attributable to unitholders.

Compliance with International Financial Reporting Standards (IFRS)

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

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

Use of estimates and judgement

The Funds make estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates 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.

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 IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interest in Other Entities and IAS 27 Separate Financial Statement. IFRS 10 is applicable to all investees; among other things, it requires the consolidation of an investee if the Funds control the investee on the basis of de facto circumstances. An exception however exists where an entity meets the definition of an investment entity.

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

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

In making the above assessments, the Funds have multiple investments and multiple investors. Their investors are generally unrelated parties of the Funds. Although all units attributable to unitholders are recognized as debt rather than equity, unitholders invest for returns from capital appreciation, investment income, or both. Directors of the Responsible Entity have concluded that the Funds meet the definition of investment entity.

Assessment of the Funds' investments as structured entities

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

(b) Changes in accounting policy and transition

There were no changes in the accounting policies of the Funds during the financial period.

2 Summary of significant accounting policies (continued)

(c) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2016 reporting period and have not been early adopted by the Funds. The directors' assessment of the impact of these new standards (to the extent relevant to the Funds) and interpretations is set out below:

- AASB 9 *Financial Instruments* (and applicable amendments) (effective from 1 January 2018)

AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities. It has now also introduced revised rules around hedge accounting. The directors do not expect this to have a significant impact on the recognition and measurement of the Funds' financial instruments. The derecognition rules have not changed from the previous requirements, and the Funds do not apply hedge accounting. The Funds have not yet decided when to adopt AASB 9.

- AASB 15 *Revenue from Contracts with Customers* (effective from 1 January 2018)

The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 Revenue which covers contracts for goods and services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards.

The Funds' main sources of income are interest, dividends and distributions and gains on financial instruments held at fair value. All of these are outside the scope of the new revenue standard. As a consequence, the directors do not expect the adoption of AASB 15 to have a significant impact on the Funds' accounting policies or the amounts recognised in the financial statements.

There are no other standards that are not yet effective and that are expected to have a material impact on the Funds in the current or future reporting periods and on foreseeable future transactions.

(d) Financial instruments

(i) Classification

The Funds' investments are classified as financial assets or financial liabilities, and are recognised at fair value through profit or loss. They comprise:

- Financial instruments held for trading

Derivative financial instruments such as futures contracts and forward foreign exchange contracts are included under this classification. The Funds do not designate any derivatives as hedges in a hedging relationship.

- Financial instruments designated at fair value through profit or loss upon initial recognition

These include financial assets and financial liabilities that are classified as not held for trading purposes and which may be sold.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Funds' documented investment strategies. The Funds' policy is for the Responsible Entity to evaluate the information about these financial assets on a fair value basis together with other related financial information.

(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.

2 Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

(iii) Measurement

- *Financial assets and liabilities held at fair value through profit or loss*

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

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

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

- Fair value in an active market

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

- Fair value in an inactive or unquoted market

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

(iv) Offsetting financial instruments

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

(e) Net assets attributable to unitholders

Units in the Funds are classified as financial liabilities. 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.

(f) Cash and cash equivalents

For the purpose of presentation in the statement 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.

(g) Investment income

Interest income is recognised in the statements of comprehensive income for all financial instruments that are not held at fair value through profit and loss using the effective interest method. Other changes in fair value for such instruments are recorded in accordance with the policies described in Note 2(d).

2 Summary of significant accounting policies (continued)

(g) Investment income (continued)

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 recognised gross of withholding tax in the statements of comprehensive income.

Distributions from listed managed investment funds are recognised as income on the date the unit is quoted ex-distribution with any related foreign withholding tax recognised as a tax expense.

(h) Expenses

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

(i) Income tax

Under current legislation, the Funds are not subject to income tax as unitholders are presently entitled to the income of the Funds.

The benefits of any imputation credits and foreign tax paid are passed on to unitholders.

(j) Distributions

In accordance with the Funds' Constitutions, the Funds distribute income adjusted for amounts determined by the Responsible Entity, to unitholders by cash payment or reinvestment. The distributions are recognised in the statements of comprehensive income as finance costs attributable to unitholders.

(k) Change in net assets attributable to unitholders

Income not distributed is included in the net assets attributable to unitholders. Movements in net assets attributable to unitholders are recognised in the statements of comprehensive income.

(l) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

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

(m) Due from/to brokers

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

2 Summary of significant accounting policies (continued)

(n) Receivables

Receivables may include amounts for dividends, interest and trust distributions. Dividends and trust distributions are accrued when the right to receive payment is established. Interest is accrued at the end of each reporting period from the time of last payment in accordance with the policy set out in note 2(g) above. Amounts are generally received within 30 days of being recorded as receivables. The carrying amount of receivables approximates fair value.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Funds will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short term receivables are not discounted if the effect of discounting is immaterial.

(o) Payables

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

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

(p) Borrowings and interest expense

Borrowings are recognised at historical cost where any transaction fees and costs directly related to the borrowings are recognised in the statements of comprehensive income over the expected life of the borrowings. Borrowings are classified as current liabilities where the liability has been drawn under a financing facility which expires within one year. Finance costs include interest expense related to the borrowings which are expensed in the statements of comprehensive income on an effective yield basis.

(q) 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.

(r) Goods and Services Tax (GST)

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

3 Net assets attributable to unitholders

As stipulated within the Funds' Constitutions, each unit represents a right to an individual share in the Funds and does not extend to a right to the underlying assets of the Funds. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Funds (subject to applicable ASIC relief).

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

	Global Infrastructure Securities Fund	Global Property Securities Fund	Dynamic Markets Fund
	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016
Net assets attributable to unitholders	\$	\$	\$
Opening balance	-	-	-
Applications	10,456,770	10,187,624	-
Redemptions	-	-	-
Units issued upon reinvestment of distributions	-	-	-
Change in net assets attributable to unitholders	99,233	(189,760)	-
Closing balance	10,556,003	9,997,864	-
	Global Infrastructure Securities Fund	Global Property Securities Fund	Dynamic Markets Fund
	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016
Number of units:	Number of units	Number of units	Number of units
Opening balance	-	-	-
Applications	4,184,604	4,068,110	-
Redemptions	-	-	-
Units issued upon reinvestment of distributions	-	-	-
Change in net assets attributable to unitholders	-	-	-
Closing balance	4,184,604	4,068,110	-

Capital risk management

The Funds consider their net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified as a liability. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily purchases and withdrawals at the discretion of unitholders.

Daily purchases and withdrawals are reviewed relative to the liquidity of the Funds' underlying assets on a daily basis by the Responsible Entity. Under the terms of the Funds' Constitutions, the Responsible Entity has the discretion to suspend the issue and cancellation of units in specified circumstances.

4 Dividend and distribution income

	Global Infrastructure Securities Fund	Global Property Securities Fund	Dynamic Markets Fund
	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016
	\$	\$	\$
Dividend/ Trust income	66,083	48,497	-
Total dividend and distribution income	66,083	48,497	-

5 Net gains/(losses) on financial instruments held at fair value through profit or loss

Net gains/(losses) recognised in relation to financial assets and financial liabilities held at fair value through profit or loss:

	Global Infrastructure Securities Fund	Global Property Securities Fund	Dynamic Markets Fund
	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016
	\$	\$	\$
Net unrealised gain/(loss) on financial instruments held at fair value through profit or loss	84,970	(169,769)	-
Net realised gain/(loss) on financial instruments held at fair value through profit or loss	(12,640)	(39,519)	-
Total net gains/(losses) on financial instruments held at fair value through profit or loss	72,330	(209,288)	-

6 Distributions to unitholders

The distributions paid/payable for the period were as follows:

	Global Infrastructure Securities Fund	Global Infrastructure Securities Fund	Global Property Securities Fund	Global Property Securities Fund	Dynamic Markets Fund	Dynamic Markets Fund
	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016
	\$	CPU	\$	CPU	\$	CPU
Distributions						
Distribution payable - June	16,188	0.3869	23,627	0.5808	-	-
Total Distribution	16,188	0.3869	23,627	0.5808	-	-

7 Cash and cash equivalents

	Global Infrastructure Securities Fund	Global Property Securities Fund	Dynamic Markets Fund
	30 June 2016	30 June 2016	30 June 2016
	\$	\$	CPU
Cash and cash equivalents	435,778	417,668	-
	435,778	417,668	-

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

	Global Infrastructure Securities Fund	Global Property Securities Fund	Dynamic Markets Fund
	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016
	\$	\$	\$
Operating (loss)/profit for the year	115,421	(166,133)	-
Net losses/(gains) on financial assets held at fair value through profit or loss	(72,330)	209,288	-
Purchase of financial instruments held at fair value through profit or loss	(10,270,858)	(10,010,722)	-
Proceeds from maturity/sales of financial instruments held at fair value through profit or loss	250,061	239,298	-
Net foreign exchange gains/(losses)	(2,242)	(19,394)	-
Net change in receivables and other assets	(49,569)	(32,025)	-
Net change in payables and other liabilities	8,664	9,845	-
Net cash outflow from operating activities	(10,020,853)	(9,769,843)	-

9 Financial assets held at fair value through profit or loss

	Global Infrastructure Securities Fund	Global Property Securities Fund	Dynamic Markets Fund
	30 June 2016	30 June 2016	30 June 2016
	\$	\$	\$
Designated at fair value through profit or loss			
Listed instruments	10,207,248	9,519,142	-
Total financial assets held at fair value through profit or loss	10,207,248	9,519,142	-

10 Receivables

	Global Infrastructure Securities Fund	Global Property Securities Fund	Dynamic Markets Fund
	30 June 2016	30 June 2016	30 June 2016
	\$	\$	\$
Dividends receivable	49,526	31,989	-
Due from broker	-	62,506	-
GST receivable	43	35	-
Total receivables	49,569	94,530	-

11 Financial liabilities held for trading

	Global Infrastructure Securities Fund	Global Property Securities Fund	Dynamic Markets Fund
	30 June 2016	30 June 2016	30 June 2016
	\$	\$	\$
Held for trading			
Foreign currency forward contracts	92	5	-
Total financial liabilities held for trading	92	5	-

12 Other payables

	Global Infrastructure Securities Fund	Global Property Securities Fund	Dynamic Markets Fund
	30 June 2016	30 June 2016	30 June 2016
	\$	\$	\$
Management fees payable	8,153	9,645	-
Due to broker	111,649	-	-
Expense recoveries payable	510	199	-
Total other payables	120,312	9,844	-

13 Financial risk management

(a) Objectives, strategies, policies and processes

The Funds are active exchange traded managed funds that primarily invest in securities listed on global share markets, derivative instruments and cash and cash equivalents.

The Funds' activities expose them to a variety of financial risks which may include market risk (including price risk, foreign currency risk and interest rate risk), 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).

13 Financial risk management (continued)

(a) Objectives, strategies, policies and processes (continued)

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' Product Disclosure Statements, Constitutions and Investment Guidelines are reported to the Board on a regular basis.

(b) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other 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.

(i) Price risk

The Funds are exposed to securities and derivatives price risk. This arises from investments held by the Funds for which prices in the future are uncertain. 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 maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

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

Sensitivity analysis

An increase of 10% at the reporting date of the market prices attributable to the assets held by the Funds would have the following impact on the Funds' operating profit/(loss) and net assets attributable to unitholders. This analysis assumes that all other variables remain constant. A decrease of 10% would have an equal, but the opposite effect to the amounts shown below, on the basis that all other variables remain constant.

	Global Infrastructure Securities Fund	Global Property Securities Fund	Dynamic Markets Fund
	30 June 2016	30 June 2016	30 June 2016
Funds' operating profit/(loss) and net assets attributable to unitholders	\$ 1,020,725	\$ 951,914	\$ -

13 Financial risk management (continued)

(b) Market risk (continued)

(ii) Foreign currency risk

The Funds hold monetary assets (foreign cash, foreign cash equivalents) denominated in currencies other than the Australian dollar. Foreign exchange risk arises as the value of these financial assets denominated in other currencies will fluctuate due to changes in exchange rates.

The tables below summarise the value of the Funds' total net assets attributable to unitholders, expressed in Australian dollars, that are exposed to foreign exchange risk sensitivity analysis:

Foreign Currency	Global Infrastructure Securities Fund 30 June 2016	Global Property Securities Fund 30 June 2016	Dynamic Markets Fund 30 June 2016
	\$	\$	\$
CAD	6,468	-	-
CHF	(7)	-	-
EUR	12,422	4,509	-
GBP	5,939	-	-
HKD	4,487	-	-
JPY	900	1,391	-
NZD	-	432	-
SEK	-	4,691	-
USD	16,052	10,776	-
Net foreign currency exposure	46,261	21,799	-

Sensitivity analysis - foreign exchange risk

The following table summarises the sensitivity of the impact of a strengthening or weakening of the foreign currency held by the Funds in relation to the Funds' monetary assets and liabilities to foreign exchange risk. The analysis reflects how net assets attributable to unitholders and total operating profit/(loss) would have been affected by changes in the fluctuation in foreign currency exchange rates at the end of the reporting period.

Global Infrastructure Securities Fund

Foreign Currency	Sensitivity rate %	Impact on net assets attributable to unitholders and profit and loss	
		Strengthened 30 June 2016	Weakened 30 June 2016
		\$	\$
CAD	10	647	(588)
CHF	10	1	(1)
EUR	10	1,242	(1,129)
GBP	10	594	(540)
HKD	10	449	(408)
JPY	10	90	(82)
USD	10	1,605	(1,459)

13 Financial risk management (continued)

(b) Market risk (continued)

(ii) Foreign currency risk (continued)

Sensitivity analysis - foreign exchange risk (continued)

Global Property Securities Fund

Foreign Currency	Sensitivity rate %	Impact on net assets attributable to unitholders and profit and loss	
		Strengthened	Weakened
		30 June 2016	30 June 2016
		\$	\$
EUR	10	451	(410)
JPY	10	139	(126)
NZD	10	43	(39)
SEK	10	469	(426)
USD	10	1,078	(980)

Dynamic Markets Fund

Foreign Currency	Sensitivity rate %	Impact on net assets attributable to unitholders and profit and loss	
		Strengthened	Weakened
		30 June 2016	30 June 2016
		\$	\$
USD	10	-	-

(iii) Interest rate risk

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

The Funds are exposed to interest rate risk on their cash holdings. Interest income from cash holdings is earned at variable interest rates. Investments in cash holdings are at call. Interest rate risk is not considered to be significant to the Funds other than to their cash holdings. Each Fund's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities are as follow:

Sensitivity analysis - interest rate risk

	Weighted average effective interest rate (%)	Impact on net assets attributable to unitholders and profit and loss	
		Interest rates 10% higher	Interest rates 10% lower
		30 June 2016	30 June 2016
		\$	\$
Global Infrastructure Securities Fund	3.41	162	(162)
Global Property Securities Fund	4.38	175	(175)

13 Financial risk management (continued)

(c) 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.

(i) Settlement of securities transactions

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

(ii) Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a rating of AA- or higher (as determined by Standard & Poor's or equivalent rating agency).

The custody of the Funds' assets is mainly concentrated with one counterparty, namely BNP Paribas Securities Services. BNP Paribas Securities Services is a member of a major securities exchange, and at 30 June 2016 and 30 June 2015 had a credit rating of A (S&P) and Aa1 (Moody's). At 30 June 2016, substantially all cash and cash equivalents, balances due from brokers and investments are held in custody by BNP Paribas Securities Services.

(iii) Other

The Funds are not materially exposed to credit risk on other financial assets. In accordance with the Funds' policy, the Responsible Entity monitors the Funds' credit position on a regular basis.

(d) 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 withdrawal of units. The Funds primarily hold investments that are traded in an active market and can be readily realisable.

The Funds may, from time to time, 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 its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer to counterparty.

13 Financial risk management (continued)

(d) Liquidity risk (continued)

The tables below 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 table are the contractual undiscounted cash flows.

Global Infrastructure Securities Fund	On demand	Less than 6 months	Greater than 6 months	Total
	\$	\$	\$	\$
At 30 June 2016				
Distributions payable	-	16,188	-	16,188
Other payables	-	120,312	-	120,312
Net assets attributable to unitholders	10,556,003	-	-	10,556,003
Total financial liabilities	10,556,003	136,500	-	10,692,503

Global Property Securities Fund	On demand	Less than 6 months	Greater than 6 months	Total
	\$	\$	\$	\$
At 30 June 2016				
Distributions payable	-	23,627	-	23,627
Other payables	-	9,844	-	9,844
Net assets attributable to unitholders	9,997,864	-	-	9,997,864
Total financial liabilities	9,997,864	33,471	-	10,031,335

Dynamic Markets Fund	On demand	Less than 6 months	Greater than 6 months	Total
	\$	\$	\$	\$
At 30 June 2016				
Distributions payable	-	-	-	-
Other payables	-	-	-	-
Net assets attributable to unitholders	-	-	-	-
Total financial liabilities	-	-	-	-

The tables below analyse the Funds' 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 table are the contractual undiscounted cash flows.

Global Infrastructure Securities Fund	On demand	Less than 6 months	Greater than 6 months	Total
	\$	\$	\$	\$
At 30 June 2016				
Foreign currency forward contracts	-	92	-	92
Total financial liabilities	-	92	-	92

Global Property Securities Fund	On demand	Less than 6 months	Greater than 6 months	Total
	\$	\$	\$	\$
At 30 June 2016				
Foreign currency forward contracts	-	5	-	5
Total financial liabilities	-	5	-	5

14 Fair value measurements

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

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

Fair value estimation

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

Financial assets and liabilities held 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 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 held at fair value through profit or loss are measured at fair value with changes in their fair value recognised in statements of comprehensive income.

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

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

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

The quoted market price used for financial assets held by the Funds is the current bid price; the appropriate quoted market price for financial liabilities is the current asking price. When the Funds hold derivatives with offsetting risks, they use mid-market prices as a basis for establishing fair values for the offsetting risk positions and apply this bid or asking price to the net position, as appropriate.

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 arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

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

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

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

14 Fair value measurements (continued)

(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 at 30 June 2016 and 30 June 2015.

Global Infrastructure Securities Fund

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
At 30 June 2016				
Financial assets				
Financial assets designated at fair value through profit or loss				
Listed instruments	10,207,248	-	-	10,207,248
Total financial assets held at fair value through profit or loss	10,207,248	-	-	10,207,248
Financial liabilities				
Financial liabilities designated at fair value through profit or loss				
Foreign currency forward contracts	92	-	-	92
Total financial liabilities held at fair value through profit or loss	92	-	-	92

Global Property Securities Fund

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
At 30 June 2016				
Financial assets				
Financial assets designated at fair value through profit or loss				
Listed instruments	9,519,142	-	-	9,519,142
Total financial assets held at fair value through profit or loss	9,519,142	-	-	9,519,142
Financial liabilities				
Financial liabilities designated at fair value through profit or loss				
Foreign currency forward contracts	5	-	-	5
Total financial liabilities held at fair value through profit or loss	5	-	-	5

Dynamic Markets Fund

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
At 30 June 2016				
Financial assets				
Financial assets designated at fair value through profit or loss				
Listed instruments	-	-	-	-
Total financial assets held at fair value through profit or loss	-	-	-	-

14 Fair value measurements (continued)

(iv) *Transfers between levels*

There were no transfers between levels during the period ended 30 June 2016.

(v) *Movement in level 3 instruments*

There were no investments classified as level 3 within the Funds as at 30 June 2016.

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

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

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

15 Offsetting financial assets and 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 following table:

	Effects of offsetting on the statements of financial position		Related amounts not offset in the statements of financial position		
	Gross amounts of financial instrument	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)	Net amounts
	\$	\$	\$	\$	\$
Global Infrastructure Securities Fund					
As at 30 June 2016					
Financial assets - listed instruments	10,207,248	-	-	-	10,207,248
Financial liabilities - foreign currency forward contracts	92	-	-	-	92
Total	10,207,340	-	-	-	10,207,340
Global Property Securities Fund					
As at 30 June 2016					
Financial assets - listed instruments	9,519,142	-	-	-	9,519,142
Financial liabilities - foreign currency forward contracts	5	-	-	-	5
Total	9,519,147	-	-	-	9,519,147
Dynamic Markets Fund					
As at 30 June 2016					
Financial assets - listed instruments	-	-	-	-	-
Financial liabilities - foreign currency forward contracts	-	-	-	-	-
Total	-	-	-	-	-

16 Auditor's remuneration

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

	Global Infrastructure Securities Fund	Global Property Securities Fund	Dynamic Markets Fund
	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016
	\$	\$	\$
KPMG			
Audit and review assurance services			
Audit and review of financial reports	5,420	5,420	1,000
Audit of Compliance Plan	1,200	1,200	300
Total remuneration for audit and other assurance services	6,620	6,620	1,300

17 Related party transactions

Responsible Entity

The Responsible Entity of the Funds is BetaShares Capital Ltd.

Key management personnel

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

(a) Directors

Executive Directors:

David Nathanson (appointed 21 September 2009)
Alex Vynokur (appointed 21 September 2009)

Non-Executive Directors:

Taeyong Lee (appointed 12 August 2015)
Thomas Park (appointed 12 August 2015)

(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 period.

17 Related party transactions (continued)

(c) Related party Funds' unitholdings

As at 30 June 2016, AMP Life Limited holds 4,000,000 units in Global Infrastructure Securities Fund and 4,000,000 units in Global Property Securities Fund.

No other parties related to the Funds (including BetaShares Capital Ltd, its related parties and other schemes managed by BetaShares Capital Ltd) held any units in the Funds for the period ended 30 June 2016.

(d) Responsible Entity 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 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. Performance fees may be payable equivalent to a percentage of the Funds' performance above the performance benchmark.

Fund	Management fee	Expense recoveries	Performance fee
	%	%	%
Global Infrastructure Securities Fund	0.80	0.05	10.25
Global Property Securities Fund	0.9716	0.02	-
Dynamic Markets Fund	0.48	0.02	15.375

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. There were no performance fees payable or paid during the reporting period.

The Responsible Entity pays AMP Capital a fee for its investment management services to the Funds out of its fees, at no additional cost to unitholders.

All related party transactions are conducted on normal commercial terms and conditions. The transactions during the period and amounts payable at period end between the Funds and the Responsible Entity were as follows:

	Global Infrastructure Securities Fund	Global Property Securities Fund	Dynamic Markets Fund
	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016	Period from 11 November 2015 to 30 June 2016
	\$	\$	\$
Management fees expensed to the Responsible Entity	8,153	9,645	-
Management fees payable to the Responsible Entity as at the reporting date	8,153	9,645	-
Expense recoveries expensed to the Responsible Entity	510	199	-
Expense recoveries payable to the Responsible Entity as at the reporting date	510	199	-

18 Events occurring after the reporting period

The AMP Capital Dynamic Markets Fund (Hedge Fund) was registered on 11 November 2015 and commenced operation on 15 July 2016. No other significant events have occurred since the end of the reporting period which would impact on the financial position of the Funds disclosed in the statements of financial position as at 30 June 2016 or on the results and cash flows of the Funds for the period ended on that date.

19 Contingent assets and liabilities and commitments

There are no outstanding contingent assets and liabilities or commitments as at 30 June 2016.

Directors' declaration

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

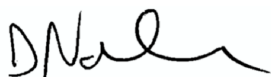
AMP Capital Global Infrastructure Securities Fund (Unhedged) (Managed Fund)
AMP Capital Dynamic Markets Fund (Hedge Fund)
AMP Capital Global Property Securities Fund (Unhedged) (Managed Fund)

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 6 to 30 are in accordance with the *Corporations Act 2001*, including:
- (i) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
 - (ii) giving a true and fair view of the Funds' financial position as at 30 June 2016 and of their performance for the financial period ended on that date; and
- (b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable.

The directors draw attention to Note 2(a) of the financial report which contains a statement of compliance with International Reporting Standards.

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



David Nathanson
Director

Sydney
27 September 2016



Alex Vynokur
Director



Independent auditor’s report to the unitholders of the following Schemes (“the Schemes”):

AMP Capital Global Infrastructure Securities Fund (Unhedged) (Managed Fund)

AMP Capital Global Property Securities Fund (Unhedged) (Managed Fund)

AMP Capital Dynamic Markets Fund (Hedge Fund)

Report on the financial report

We have audited the accompanying financial report of the Schemes, which comprises the statements of financial position as at 30 June 2016, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the period ended on that date, notes 1 to 19 comprising a summary of significant accounting policies and other explanatory information, and the directors’ declaration.

Directors’ responsibility for the financial report

The directors of BetaShares Capital Limited (“the Responsible Entity”) are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to

fraud or error. In note 2(a), the directors of the Responsible Entity also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor’s responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.



We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the Schemes' financial position, and of their performance.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

- (a) the financial report of the Schemes is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Schemes' financial position as at 30 June 2016 and of their performance for the period ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

- (b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2(a).

KPMG

Tanya Gilerman

Partner

Sydney

27 September 2016