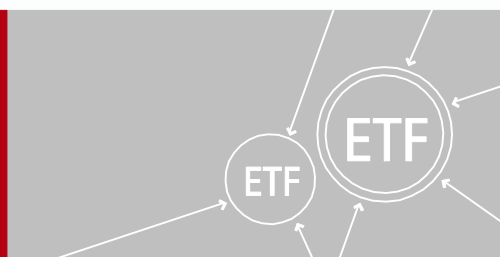




## Interim Report for the Vanguard® Exchange Traded Funds

14 March 2019



Vanguard Investments Australia Ltd announces the following:

ETF	ASX CODE	ANNOUNCEMENT
Vanguard Australian Shares Index ETF	VAS	Interim Report
Vanguard Australian Property Securities Index ETF	VAP	Interim Report
Vanguard Australian Fixed Interest Index ETF	VAF	Interim Report
Vanguard Australian Government Bond Index ETF	VGB	Interim Report
Vanguard Australian Shares High Yield ETF	VHY	Interim Report
Vanguard MSCI Australian Large Companies Index ETF	VLC	Interim Report
Vanguard FTSE Emerging Markets Shares ETF	VGE	Interim Report
Vanguard MSCI Index International Shares ETF	VGS	Interim Report
Vanguard International Fixed Interest Index (Hedged) ETF	VIF	Interim Report
Vanguard International Credit Securities Index (Hedged) ETF	VCF	Interim Report
Vanguard FTSE Asia ex Japan Shares Index ETF	VAE	Interim Report
Vanguard FTSE Europe Shares ETF	VEQ	Interim Report
Vanguard MSCI Australian Small Companies Index ETF	VSO	Interim Report
Vanguard MSCI Index International Shares (Hedged) ETF	VGAD	Interim Report
Vanguard Australian Corporate Fixed Interest Index ETF	VACF	Interim Report
Vanguard Global Aggregate Bond Index (Hedged) ETF	VBND	Interim Report
Vanguard Global Minimum Volatility Active ETF (Managed Fund)	VMIN	Interim Report
Vanguard Global Value Equity Active ETF (Managed Fund)	VVLU	Interim Report
Vanguard Global Infrastructure Index ETF	VBLD	Interim Report
Vanguard MSCI International Small Companies Index ETF	VISM	Interim Report
Vanguard Ethically Conscious Global Aggregate Bond Index (Hedged) ETF	VEFI	Interim Report
Vanguard Ethically Conscious International Shares Index ETF	VESG	Interim Report

Vanguard has prepared an interim report for the half year ended 31 December 2018, for the Vanguard Wholesale Funds. The ETFs above are classes of units in the relevant funds. Units in the ETF class are those that are traded on the Australian Securities Exchange (ASX).

The interim report provides financial information for each fund and where indicated, provides specific information for the ETF class.

### Further Information

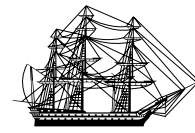
If you have any queries on Vanguard ETFs, please visit [vanguard.com.au](http://vanguard.com.au)

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Vanguard Investments Australia Ltd, Level 34, Freshwater Place, 2 Southbank Boulevard, Southbank VIC 3006 [vanguard.com.au](http://vanguard.com.au) 1300 655 888



**Vanguard®**

**Interim report for the half year ended** 31 December 2018

## Vanguard® Multi-class Funds & Standalone ETFs

2019

## Vanguard Multi-class Funds and Standalone ETFs covered in this half year report

Vanguard FTSE Asia ex Japan Shares Index ETF	ASX: VAE	ARSN 606 451 110	ABN 50 411 576 623
Vanguard Australian Corporate Fixed Interest Index Fund	ASX: VACF	ARSN 147 938 001	ABN 51 978 865 366
Vanguard Australian Fixed Interest Index Fund	ASX: VAF	ARSN 090 939 941	ABN 52 931 145 473
Vanguard Australian Government Bond Index Fund	ASX: VGB	ARSN 134 177 807	ABN 23 499 844 319
Vanguard MSCI Australian Large Companies Index ETF	ASX: VLC	ARSN 147 936 105	ABN 17 468 108 459
Vanguard Australian Property Securities Index Fund	ASX: VAP	ARSN 090 939 549	ABN 27 186 332 271
Vanguard Australian Shares High Yield Fund	ASX: VHY	ARSN 091 751 807	ABN 61 324 061 551
Vanguard Australian Shares Index Fund	ASX: VAS	ARSN 090 939 718	ABN 65 759 271 740
Vanguard MSCI Australian Small Companies Index ETF	ASX: VSO	ARSN 147 936 570	ABN 73 969 263 897
Vanguard FTSE Europe Shares ETF	ASX: VEQ	ARSN 606 480 086	ABN 30 252 933 265
Vanguard Global Aggregate Bond Index Fund (Hedged)	ASX: VBND	ARSN 618 350 539	ABN 14 933 513 845
Vanguard FTSE Emerging Markets Shares ETF	ASX: VGE	ARSN 147 937 906	ABN 91 542 729 566
Vanguard MSCI Index International Shares (Hedged) ETF	ASX: VGAD	ARSN 165 786 989	ABN 92 314 430 239
Vanguard International Credit Securities Index Fund (Hedged)	ASX: VCF	ARSN 095 366 055	ABN 15 118 646 737
Vanguard International Fixed Interest Index Fund (Hedged)	ASX: VIF	ARSN 090 940 337	ABN 59 108 266 812
Vanguard International Shares Index Fund	ASX: VGS	ARSN 090 939 610	ABN 56 291 101 711
Vanguard Global Minimum Volatility Fund	ASX: VMIN	ARSN 165 787 708	ABN 80 259 391 198
Vanguard Global Value Equity Fund	ASX: VVLU	ARSN 613 053 062	ABN 71 928 129 734
Vanguard International Shares Index Fund (Hedged)		ARSN 093 254 909	ABN 97 123 270 094
Vanguard Global Infrastructure Index Fund	ASX: VBLD	ARSN 128 385 277	ABN 82 191 294 545
Vanguard International Small Companies Index Fund	ASX: VISM	ARSN 127 015 472	ABN 20 372 713 731
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	ASX: VEFI	ARSN 618 349 090	ABN 40 120 502 284
Vanguard Ethically Conscious International Shares Fund	ASX: VESG	ARSN 626 133 275	ABN 89 276 633 202
Vanguard International Shares Select Exclusions Index Fund		ARSN 613 045 739	ABN 45 215 187 041

## Responsible Entity

Vanguard Investments Australia Ltd  
ABN 72 072 881 086  
AFSL 227263

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# About Vanguard

Since our establishment in 1975, Vanguard has strived to be the world's highest-value provider of investment products and services. We have an unwavering focus on our clients with a commitment to champion what's best for investors by offering outstanding service, while keeping costs low.

Over the years Vanguard has built a reputation as a global leader in client advocacy and earned the trust of millions of investors along the way. Our sole purpose has been to align our interest with those of our investors to ensure they have the best chance for investment success.

With more than AUD \$6.9 trillion in assets under management as of 31 December 2018, including more than AUD \$1.2 trillion in ETFs, Vanguard is one of the world's largest global investment management companies.

In Australia, Vanguard has been serving financial advisers, retail clients and institutional investors for more than 20 years.

## Our unique structure – putting investors' interests first

What sets Vanguard apart - and lets Vanguard put investors first around the world - is the ownership structure of The Vanguard Group, Inc., in the United States.

Rather than being publicly traded or owned by a small group of individuals, The Vanguard Group is owned by Vanguard's US-domiciled funds and ETFs. Those funds, in turn, are owned by their investors.

This mutual structure aligns our interests with those of our investors and drives the culture, philosophy and policies throughout the Vanguard organisation worldwide. As a result, Australian investors benefit from Vanguard's stability and experience, low costs and client focus.

## Our investment expertise

When you invest with Vanguard, you have more than 40 years of investing experience behind you. So no matter which investment products suit your needs, you can feel confident that Vanguard investments are built on a rigorous investment philosophy that stands the test of time.

## Low-cost investing

We know we can't control the markets, but we can control the costs of investing. To that end, providing low-cost investments isn't a pricing strategy for us. It's how we do business.

We can keep costs low because of our unique ownership structure in the United States, which allows us to return profits to investors through lower costs.

# Directors' report

The Responsible Entity of the Vanguard Multi-class Funds & Standalone ETFs (the "Funds") for the half-year ended 31 December 2018 was Vanguard Investments Australia Ltd (the "Responsible Entity").

The directors of Vanguard Investments Australia Ltd present their report together with the financial statements for the half-year ended 31 December 2018.

## Principal activities

The Funds invest in accordance with the investment policy of the Funds as set out in their respective Product Disclosure Statements (PDSs) and in accordance with the Funds' Constitution. The Funds seek to track the returns of the Funds' respective indices, before taking into account Fund fees and expenses.

The ETF Class units of the Funds operate as Exchange Traded Funds (ETFs) listed on the Australian Securities Exchange (ASX).

The Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) inception date was 7 August 2018 and commenced trading on 7 August 2018.

The Vanguard Ethically Conscious International Shares Fund was registered on 28 May 2018 and commenced trading on 28 August 2018.

The Vanguard Global Infrastructure Index Fund ETF Class units were listed and commenced trading on 23 October 2018.

The Vanguard International Small Companies Index Fund ETF Class units were listed and commenced trading on 13 November 2018.

The Funds did not have any employees during the half-year.

There were no significant changes in the nature of the activities of the Funds during the half-year.

## Directors

The following persons held office as directors of the Responsible Entity during the half-year and up to the date of this report:

J M Norris

C Kelton (Resigned 4 September 2018)

L Carr (Resigned 1 March 2019)

C Lui

J Platt

F Kolimago (Appointed 4 September 2018)

## Review and results of operations

The Funds invest in listed equity securities, listed unit trusts, listed property trusts, unlisted unit trusts, fixed interest securities, money market securities, derivatives and cash and cash equivalents. The investment policy of the Funds continue to be in accordance with the provisions of the Funds' Constitution.

## Results

The results of the operations of the Funds were as follows:

	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Australian Corporate Fixed Interest Index Fund		Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	(5,623)	4,107	7,319	2,897	157,161	70,351	12,872	5,362
<b>Distributions - Wholesale Class</b>								
Distribution paid and payable (\$'000)	-	-	2,554	1,199	65,652	69,818	3,184	4,231
Distribution (cents per unit)	-	-	1.3365	1.2174	1.4283	1.6122	1.0931	1.2550
<b>Distributions - ETF Class</b>								
Distribution paid and payable (\$'000)	1,358	569	2,003	864	9,474	9,954	1,687	1,690
Distribution (cents per unit)	77.8707	89.7902	62.6049	58.4310	62.3315	71.5112	53.2199	61.2206

# Directors' report (continued)

## Review and results of operations (continued)

### Results (continued)

	Vanguard MSCI Australian Large Companies Index ETF		Vanguard Australian Property Securities Index Fund		Vanguard Australian Shares High Yield Fund		Vanguard Australian Shares Index Fund	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	(4,080)	5,013	(9,666)	446,236	(110,961)	87,728	(995,573)	931,366
<b>Distributions - Wholesale Class</b>								
Distribution paid and payable (\$'000)	-	-	90,258	32,492	32,359	32,534	240,911	214,950
Distribution (cents per unit)	-	-	2.3869	0.8324	5.0533	5.4892	5.2866	5.1335
<b>Distributions - ETF Class</b>								
Distribution paid and payable (\$'000)	2,707	2,228	23,390	7,538	36,878	30,965	74,279	56,698
Distribution (cents per unit)	206.1844	177.3827	169.3686	60.5237	199.7965	196.4867	183.8044	168.9800

	Vanguard MSCI Australian Small Companies Index ETF		Vanguard FTSE Europe Shares ETF		Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard FTSE Emerging Markets Shares ETF	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	(26,638)	15,513	(18,202)	6,752	48,916	36,700	(8,011)	14,456
<b>Distributions - Wholesale Class</b>								
Distribution paid and payable (\$'000)	-	-	-	-	28,877	25,869	-	-
Distribution (cents per unit)	-	-	-	-	0.8850	1.0864	-	-
<b>Distributions - ETF Class</b>								
Distribution paid and payable (\$'000)	3,396	1,457	1,474	978	350	17	3,204	1,920
Distribution (cents per unit)	0.8469	57.3724	37.4690	40.3118	47.9496	18.5328	87.1396	79.0984

	Vanguard MSCI Index International Shares (Hedged) ETF		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)		Vanguard International Shares Index Fund	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	(40,495)	31,205	7,134	19,396	28,126	24,056	(650,879)	1,109,955
<b>Distributions - Wholesale Class</b>								
Distribution paid and payable (\$'000)	-	-	7,230	18,553	26,993	35,877	221,040	122,812
Distribution (cents per unit)	-	-	1.2884	3.1678	2.1580	2.6426	3.6757	1.9715
<b>Distributions - ETF Class</b>								
Distribution paid and payable (\$'000)	-	3,650	854	4,213	4,244	4,284	12,893	6,428
Distribution (cents per unit)	-	63.2913	43.4897	170.2058	87.4976	136.3315	69.3835	54.1179
<b>Distributions - B Class</b>								
Distribution paid and payable (\$'000)	-	-	-	-	-	-	4,493	2,736
Distribution (cents per unit)	-	-	-	-	-	-	70.8002	52.8972



# Directors' report (continued)

## Review and results of operations (continued)

### Results (continued)

	Vanguard Global Minimum Volatility Fund		Vanguard Global Value Equity Fund		Vanguard International Shares Index Fund (Hedged)		Vanguard Global Infrastructure Index Fund	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	(1,654)	1,880	(4,751)	1,464	(375,282)	435,190	7,131	7,147
<b>Distributions - Wholesale Class</b>								
Distribution paid and payable (\$'000)	-	531	162	296	-	-	5,695	3,488
Distribution (cents per unit)	-	2.1916	0.7188	1.9083	-	-	1.5404	1.1549
<b>Distributions - ETF Class</b>								
Distribution paid and payable (\$'000)	-	-	77	-	-	-	8	-
Distribution (cents per unit)	-	-	33.4231	-	-	-	14.8812	-
<b>Distributions - AUD Class</b>								
Distribution paid and payable (\$'000)	-	-	-	-	4,595	118,366	-	-
Distribution (cents per unit)	-	-	-	-	0.0848	2.2667	-	-
<b>Distributions - NZD Class</b>								
Distribution paid and payable (\$'000)	-	-	-	-	-	3,057	-	-
Distribution (cents per unit)	-	-	-	-	-	1.1432	-	-
	Vanguard International Small Companies Index Fund		Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)		Vanguard Ethically Conscious International Shares Fund		Vanguard International Shares Select Exclusions Index Fund	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	For the period 28 May 2018 to 31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	(97,033)	53,045	16,395	-	(23,046)	-	(52,865)	60,204
<b>Distributions - Wholesale Class</b>								
Distribution paid and payable (\$'000)	9,084	7,856	-	-	-	-	-	-
Distribution (cents per unit)	1.9022	2.0373	-	-	-	-	-	-
<b>Distributions - ETF Class</b>								
Distribution paid and payable (\$'000)	15	-	6	-	13	-	-	-
Distribution (cents per unit)	36.5737	-	31.4635	-	16.5673	-	-	-
<b>Distributions - AUD Hedged Class</b>								
Distribution paid and payable (\$'000)	-	-	-	-	-	-	1,368	75
Distribution (cents per unit)	-	-	-	-	-	-	1.5413	0.5024
<b>Distributions - AUD Unhedged Class</b>								
Distribution paid and payable (\$'000)	-	-	-	-	7	-	3,868	3,058
Distribution (cents per unit)	-	-	-	-	0.2596	-	1.3657	1.3463
<b>Distributions - NZD Hedged Class</b>								
Distribution paid and payable (\$'000)	-	-	5,869	-	3,534	-	1,061	3,114
Distribution (cents per unit)	-	-	2.0607	-	1.2777	-	0.1666	0.4392

# Directors' report (continued)

## Significant changes in state of affairs

On 1 November 2018, Vanguard FTSE Asia ex Japan Shares Index ETF, Vanguard MSCI Australian Large Companies Index ETF, Vanguard Australian Property Securities Index Fund, Vanguard Australian Shares Index Fund, Vanguard MSCI Australian Small Companies Index ETF, Vanguard International Shares Index Fund, Vanguard Global Minimum Volatility Fund, Vanguard Global Value Equity Fund, Vanguard Global Infrastructure Index Fund, Vanguard International Small Companies Index Fund and Vanguard International Shares Select Exclusions Index Fund entered into securities lending arrangements.

On 1 July 2018, Vanguard Global Value Equity Fund lost its AMIT status as it no longer meets the AMIT tax regime qualification.

The Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) inception date was 7 August 2018. The Wholesale Class units commenced trading on 7 August 2018 and the ETF Class units were listed and commenced trading on the ASX on 13 September 2018.

The Vanguard Ethically Conscious International Shares Fund inception date was 28 August 2018. The Wholesale Class units commenced trading on 28 August 2018 and the ETF Class units were listed and commenced trading on the ASX on 13 September 2018.

The Vanguard Global Infrastructure Index Fund ETF Class units were listed and commenced trading on 23 October 2018.

The Vanguard International Small Companies Index Fund ETF Class units were listed and commenced trading on 13 November 2018.

Colin Kelton resigned as a Director of Vanguard Investments Australia Ltd on 4 September 2018.

Frank Kolimago was appointed as a Director of Vanguard Investments Australia Ltd on 4 September 2018.

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 half-year.

## Matters subsequent to the end of the financial half-year

On 22 January 2019, Vanguard Investments Australia made a redemption in Vanguard Global Minimum Volatility Fund and Vanguard Global Value Equity Fund for an amount of \$5M and \$10M respectively. The redemptions do not affect the going concern of these Funds as of 31 December 2018.

Lucy Carr resigned as a Director of Vanguard Investments Australia Ltd on 1 March 2019.

No other matter or circumstance has arisen since 31 December 2018 that has significantly affected, or may significantly affect:

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

## Rounding of amounts to the nearest thousand dollars

Amounts in the directors' report have been rounded to the nearest thousand dollars in accordance with *ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191*, unless otherwise indicated.

## 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 9.

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

J Platt  
Director  
Melbourne  
5 March 2019



## *Auditor's Independence Declaration*

Vanguard Multi-class Funds and Standalone ETFs (the Funds) comprise the following funds:

- Vanguard FTSE Asia ex Japan Shares Index ETF
- Vanguard Australian Corporate Fixed Interest Index Fund
- Vanguard Australian Fixed Interest Index Fund
- Vanguard Australian Government Bond Index Fund
- Vanguard MSCI Australian Large Companies Index ETF
- Vanguard Australian Property Securities Index Fund
- Vanguard Australian Shares High Yield Fund
- Vanguard Australian Shares Index Fund
- Vanguard MSCI Australian Small Companies Index ETF
- Vanguard FTSE Europe Shares ETF
- Vanguard Global Aggregate Bond Index Fund (Hedged)
- Vanguard FTSE Emerging Markets Shares ETF
- Vanguard MSCI Index International Shares (Hedged) ETF
- Vanguard International Credit Securities Index Fund (Hedged)
- Vanguard International Fixed Interest Index Fund (Hedged)
- Vanguard International Shares Index Fund
- Vanguard Global Minimum Volatility Fund
- Vanguard Global Value Equity Fund
- Vanguard International Shares Index Fund (Hedged)
- Vanguard Global Infrastructure Fund
- Vanguard International Small Companies Index Fund
- Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)
- Vanguard Ethically Conscious International Shares Fund
- Vanguard International Shares Select Exclusions Index Fund

As lead auditor for the review of the Funds for the reporting period ended 31 December 2018, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.



Other than for the following fund, the reporting period for the half year is from 1 July 2018 to 31 December 2018. The reporting period for the following fund is from the date of registration to 31 December 2018.

<b>Fund</b>	<b>Date of registration</b>
Vanguard Ethically Conscious International Shares Fund	28 May 2018

A handwritten signature in black ink, appearing to read "Britt Hawkins", with a long horizontal flourish extending to the right.

Britt Hawkins  
Partner  
PricewaterhouseCoopers

Melbourne  
5 March 2019

# Statements of comprehensive income

For the half-year ended 31 December 2018

		Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Australian Corporate Fixed Interest Index Fund		Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund	
		31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>									
Interest income		1	-	17	15	90	176	8	8
Dividend income		1,402	522	-	-	-	-	-	-
Distribution income		20	7	-	-	-	-	-	-
Net gains/(losses) on financial instruments held at fair value through profit or loss		(6,855)	3,590	7,702	3,014	164,004	76,700	13,438	6,008
Other operating income		81	109	77	87	10	22	16	3
<b>Total net investment income/(loss)</b>		<b>(5,351)</b>	<b>4,228</b>	<b>7,796</b>	<b>3,116</b>	<b>164,104</b>	<b>76,898</b>	<b>13,462</b>	<b>6,019</b>
<b>Expenses</b>									
Responsible Entity's fees		211	73	472	214	6,940	6,541	588	655
Custody fees		39	33	5	5	3	6	2	2
Transaction costs		11	14	-	-	-	-	-	-
Other operating expenses		11	1	-	-	-	-	-	-
<b>Total operating expenses</b>		<b>272</b>	<b>121</b>	<b>477</b>	<b>219</b>	<b>6,943</b>	<b>6,547</b>	<b>590</b>	<b>657</b>
<b>Operating profit/(loss)</b>		<b>(5,623)</b>	<b>4,107</b>	<b>7,319</b>	<b>2,897</b>	<b>157,161</b>	<b>70,351</b>	<b>12,872</b>	<b>5,362</b>
<b>Finance costs attributable to unitholders</b>									
Distributions to unitholders	5	-	-	(4,557)	(2,063)	(75,126)	(79,772)	(4,871)	(5,921)
(Increase)/decrease in net assets attributable to unitholders	4	-	-	(2,762)	(834)	(82,035)	9,421	(8,001)	559
<b>Profit/(loss) for the half-year</b>		<b>(5,623)</b>	<b>4,107</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the half-year</b>		<b>(5,623)</b>	<b>4,107</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

# Statements of comprehensive income (continued)

For the half-year ended 31 December 2018

		Vanguard MSCI Australian Large Companies Index ETF		Vanguard Australian Property Securities Index Fund		Vanguard Australian Shares High Yield Fund		Vanguard Australian Shares Index Fund	
		31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>									
Interest income		-	-	2	-	-	27	542	363
Dividend income		1,901	1,632	10	1,452	52,629	51,156	246,394	210,072
Distribution income		200	181	115,214	116,756	6,019	3,814	36,239	31,856
Net gains/(losses) on financial instruments held at fair value through profit or loss		(6,094)	3,283	(118,823)	333,812	(166,681)	35,985	(1,267,778)	698,957
Other operating income		-	1	26	9	279	22	250	45
<b>Total net investment income/(loss)</b>		<b>(3,993)</b>	<b>5,097</b>	<b>(3,571)</b>	<b>452,029</b>	<b>(107,754)</b>	<b>91,004</b>	<b>(984,353)</b>	<b>941,293</b>
<b>Expenses</b>									
Responsible Entity's fees		81	75	5,608	5,504	3,065	3,012	10,854	9,607
Custody fees		2	3	8	15	8	15	43	65
Transaction costs		2	1	240	115	118	249	322	255
Other operating expenses		2	5	239	159	16	-	1	-
<b>Total operating expenses</b>		<b>87</b>	<b>84</b>	<b>6,095</b>	<b>5,793</b>	<b>3,207</b>	<b>3,276</b>	<b>11,220</b>	<b>9,927</b>
<b>Operating profit/(loss)</b>		<b>(4,080)</b>	<b>5,013</b>	<b>(9,666)</b>	<b>446,236</b>	<b>(110,961)</b>	<b>87,728</b>	<b>(995,573)</b>	<b>931,366</b>
<b>Finance costs attributable to unitholders</b>									
Distributions to unitholders	5	-	-	(113,648)	(40,030)	(69,237)	(63,499)	(315,190)	(271,648)
(Increase)/decrease in net assets attributable to unitholders	4	-	-	123,314	(406,206)	180,198	(24,229)	1,310,763	(659,718)
<b>Profit/(loss) for the half-year</b>		<b>(4,080)</b>	<b>5,013</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the half-year</b>		<b>(4,080)</b>	<b>5,013</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

# Statements of comprehensive income (continued)

For the half-year ended 31 December 2018

		Vanguard MSCI Australian Small Companies Index ETF		Vanguard FTSE Europe Shares ETF		Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard FTSE Emerging Markets Shares ETF	
		31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>									
Interest income		-	-	2	1	328	326	1	2
Dividend income		3,002	1,482	-	-	-	-	-	-
Distribution income		642	403	1,785	993	-	-	3,557	2,085
Net gains/(losses) on financial instruments held at fair value through profit or loss		(30,026)	13,782	(19,720)	5,874	52,397	38,820	(11,184)	12,596
Other operating income		79	32	12	26	50	155	15	26
<b>Total net investment income/(loss)</b>		<b>(26,303)</b>	<b>15,699</b>	<b>(17,921)</b>	<b>6,894</b>	<b>52,775</b>	<b>39,301</b>	<b>(7,611)</b>	<b>14,709</b>
<b>Expenses</b>									
Responsible Entity's fees		308	169	279	139	3,822	2,573	397	245
Custody fees		19	13	1	1	36	28	1	1
Transaction costs		8	3	1	2	-	-	2	7
Other operating expenses		-	1	-	-	1	-	-	-
<b>Total operating expenses</b>		<b>335</b>	<b>186</b>	<b>281</b>	<b>142</b>	<b>3,859</b>	<b>2,601</b>	<b>400</b>	<b>253</b>
<b>Operating profit/(loss)</b>		<b>(26,638)</b>	<b>15,513</b>	<b>(18,202)</b>	<b>6,752</b>	<b>48,916</b>	<b>36,700</b>	<b>(8,011)</b>	<b>14,456</b>
<b>Finance costs attributable to unitholders</b>									
Distributions to unitholders	5	-	-	-	-	(29,227)	(25,886)	-	-
(Increase)/decrease in net assets attributable to unitholders	4	-	-	-	-	(19,689)	(10,814)	-	-
<b>Profit/(loss) for the half-year</b>		<b>(26,638)</b>	<b>15,513</b>	<b>(18,202)</b>	<b>6,752</b>	<b>-</b>	<b>-</b>	<b>(8,011)</b>	<b>14,456</b>
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the half-year</b>		<b>(26,638)</b>	<b>15,513</b>	<b>(18,202)</b>	<b>6,752</b>	<b>-</b>	<b>-</b>	<b>(8,011)</b>	<b>14,456</b>

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

# Statements of comprehensive income (continued)

For the half-year ended 31 December 2018

		Vanguard MSCI Index International Shares (Hedged) ETF		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)		Vanguard International Shares Index Fund	
		31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>									
Interest income		54	90	13	13	150	176	207	119
Dividend income		-	-	-	-	-	-	126,066	117,266
Distribution income		4,492	2,735	-	-	-	-	8,105	6,055
Net gains/(losses) on financial instruments held at fair value through profit or loss		(45,017)	28,320	8,236	20,656	30,111	26,209	(770,274)	998,929
Other operating income		72	148	59	149	39	130	279	570
<b>Total net investment income/(loss)</b>		<b>(40,399)</b>	<b>31,293</b>	<b>8,308</b>	<b>20,818</b>	<b>30,300</b>	<b>26,515</b>	<b>(635,617)</b>	<b>1,122,939</b>
<b>Expenses</b>									
Responsible Entity's fees		79	59	1,131	1,369	2,108	2,378	13,551	11,970
Custody fees		17	29	21	31	20	50	22	36
Transaction costs		-	-	-	-	14	-	362	944
Other operating expenses		-	-	22	22	32	31	1,327	34
<b>Total operating expenses</b>		<b>96</b>	<b>88</b>	<b>1,174</b>	<b>1,422</b>	<b>2,174</b>	<b>2,459</b>	<b>15,262</b>	<b>12,984</b>
<b>Operating profit/(loss)</b>		<b>(40,495)</b>	<b>31,205</b>	<b>7,134</b>	<b>19,396</b>	<b>28,126</b>	<b>24,056</b>	<b>(650,879)</b>	<b>1,109,955</b>
<b>Finance costs attributable to unitholders</b>									
Distributions to unitholders	5	-	-	(8,084)	(22,766)	(31,237)	(40,161)	(238,426)	(131,976)
(Increase)/decrease in net assets attributable to unitholders	4	-	-	950	3,370	3,111	16,105	889,305	(977,979)
<b>Profit/(loss) for the half-year</b>		<b>(40,495)</b>	<b>31,205</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the half-year</b>		<b>(40,495)</b>	<b>31,205</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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



# Statements of comprehensive income (continued)

For the half-year ended 31 December 2018

		Vanguard Global Minimum Volatility Fund		Vanguard Global Value Equity Fund		Vanguard International Shares Index Fund (Hedged)		Vanguard Global Infrastructure Index Fund	
		31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>									
Interest income		4	1	1	-	551	1,014	5	8
Dividend income		260	260	373	185	-	-	4,407	4,076
Distribution income		143	67	6	7	71,344	43,667	659	386
Net gains/(losses) on financial instruments held at fair value through profit or loss		(2,002)	1,631	(5,041)	1,320	(446,354)	391,460	3,056	3,475
Other operating income		9	-	6	-	18	-	2	44
<b>Total net investment income/(loss)</b>		<b>(1,586)</b>	<b>1,959</b>	<b>(4,655)</b>	<b>1,512</b>	<b>(374,441)</b>	<b>436,141</b>	<b>8,129</b>	<b>7,989</b>
<b>Expenses</b>									
Responsible Entity's fees		43	48	58	30	801	864	901	788
Custody fees		12	23	18	11	40	87	11	20
Transaction costs		4	6	5	7	-	-	31	34
Other operating expenses		9	2	15	-	-	-	55	-
<b>Total operating expenses</b>		<b>68</b>	<b>79</b>	<b>96</b>	<b>48</b>	<b>841</b>	<b>951</b>	<b>998</b>	<b>842</b>
<b>Operating profit/(loss)</b>		<b>(1,654)</b>	<b>1,880</b>	<b>(4,751)</b>	<b>1,464</b>	<b>(375,282)</b>	<b>435,190</b>	<b>7,131</b>	<b>7,147</b>
<b>Finance costs attributable to unitholders</b>									
Distributions to unitholders	5	-	(531)	(239)	(296)	(4,595)	(121,423)	(5,703)	-
(Increase)/decrease in net assets attributable to unitholders	4	1,654	(1,349)	4,990	(1,168)	379,877	(313,767)	(1,428)	-
<b>Profit/(loss) for the half-year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,147</b>
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the half-year*</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,147</b>

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

\*Effective from 1 July 2018, Vanguard Global Infrastructure Index Fund units have been reclassified from financial equity to liability.

# Statements of comprehensive income (continued)

For the half-year ended 31 December 2018

		Vanguard International Small Companies Index Fund	Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	Vanguard Ethically Conscious International Shares Fund	Vanguard International Shares Select Exclusions Index Fund			
		31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	For the period 28 May 2018 to 31 Dec 2018	31 Dec 2017	31 Dec 2017
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>								
Interest income		6	2	34	-	35	-	-
Dividend income		4,202	3,066	-	-	1,298	-	8,442
Distribution income		1,637	1,248	-	-	79	-	443
Net gains/(losses) on financial instruments held at fair value through profit or loss		(101,246)	49,986	16,655	-	(24,173)	-	52,688
Other operating income		19	43	2	-	3	-	2
<b>Total net investment income/(loss)</b>		<b>(95,382)</b>	<b>54,345</b>	<b>16,691</b>	<b>-</b>	<b>(22,758)</b>	<b>-</b>	<b>61,575</b>
<b>Expenses</b>								
Responsible Entity's fees		1,483	1,111	285	-	215	-	1,189
Custody fees		18	35	9	-	13	-	68
Transaction costs		20	111	-	-	5	-	25
Other operating expenses		130	43	2	-	55	-	89
<b>Total operating expenses</b>		<b>1,651</b>	<b>1,300</b>	<b>296</b>	<b>-</b>	<b>288</b>	<b>-</b>	<b>1,371</b>
<b>Operating profit/(loss)</b>		<b>(97,033)</b>	<b>53,045</b>	<b>16,395</b>	<b>-</b>	<b>(23,046)</b>	<b>-</b>	<b>60,204</b>
<b>Finance costs attributable to unitholders</b>								
Distributions to unitholders	5	(9,099)	-	(5,875)	-	(3,554)	-	(6,247)
(Increase)/decrease in net assets attributable to unitholders	4	106,132	-	(10,520)	-	26,600	-	(53,957)
<b>Profit/(loss) for the half-year</b>		<b>-</b>	<b>53,045</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other comprehensive income		-	-	-	-	-	-	-
<b>Total comprehensive income for the half-year*</b>		<b>-</b>	<b>53,045</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

\*Effective from 1 July 2018, Vanguard International Small Companies Index Fund units have been reclassified from financial equity to liability.

# Balance sheets

As at 31 December 2018

		Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Australian Corporate Fixed Interest Index Fund		Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund	
		31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>									
Cash and cash equivalents		493	700	1,137	1,977	2,333	2,525	6,635	(250)
Margin accounts		38	79	54	16	204	162	119	34
Receivables		45	32	28	24	829	2,103	26	24
Accrued income		255	393	36	36	124	174	1	-
Due from brokers - receivable for securities sold		18	2	1,882	-	31,609	75,553	-	4,065
Financial assets held at fair value through profit or loss		111,443	95,932	366,713	279,142	6,005,429	5,652,016	476,086	438,891
<b>Total assets</b>		<b>112,292</b>	<b>97,138</b>	<b>369,850</b>	<b>281,195</b>	<b>6,040,528</b>	<b>5,732,533</b>	<b>482,867</b>	<b>442,764</b>
<b>Liabilities</b>									
Distribution payable	5	262	1,285	2,736	1,879	43,394	42,397	2,759	2,596
Payables		38	37	90	69	2,114	51,198	105	169
Due to brokers - payables for securities purchased		-	-	-	326	7,068	11,318	3,011	1,013
Financial liabilities held at fair value through profit or loss		6	-	5	2	82	51	-	-
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>306</b>	<b>1,322</b>	<b>2,831</b>	<b>2,276</b>	<b>52,658</b>	<b>104,964</b>	<b>5,875</b>	<b>3,778</b>
<b>Net assets attributable to unitholders (equity)*</b>	4	<b>111,986</b>	<b>95,816</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net assets attributable to unitholders (liability)</b>	4	<b>-</b>	<b>-</b>	<b>367,019</b>	<b>278,919</b>	<b>5,987,870</b>	<b>5,627,569</b>	<b>476,992</b>	<b>438,986</b>

The above balance sheets should be read in conjunction with the accompanying notes.

\*Effective from 1 July 2017, Vanguard FTSE Asia ex Japan Shares Index ETF units have been reclassified from financial liability to equity. Refer note 4 for further details.

# Balance sheets (continued)

As at 31 December 2018

		Vanguard MSCI Australian Large Companies Index ETF		Vanguard Australian Property Securities Index Fund		Vanguard Australian Shares High Yield Fund		Vanguard Australian Shares Index Fund	
		31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>									
Cash and cash equivalents		227	(580)	10,962	8,286	2,614	4,583	111,997	46,808
Margin accounts		8	-	261	169	57	915	5,668	7,167
Receivables		3	1	1,686	4,884	180	449	2,434	2,801
Accrued income		155	821	85,563	80,860	5,647	20,956	29,705	95,541
Due from brokers - receivable for securities sold		650	299	15,746	-	11,203	27,563	55,495	93,956
Financial assets held at fair value through profit or loss		76,350	82,943	4,585,552	4,733,983	1,898,934	1,969,824	12,548,907	12,144,494
<b>Total assets</b>		<b>77,393</b>	<b>83,484</b>	<b>4,699,770</b>	<b>4,828,182</b>	<b>1,918,635</b>	<b>2,024,290</b>	<b>12,754,206</b>	<b>12,390,767</b>
<b>Liabilities</b>									
Distribution payable	5	1,003	403	94,062	26,583	22,630	61,238	125,338	157,463
Payables		26	47	3,989	3,386	1,821	5,025	5,556	147,491
Due to brokers - payables for securities purchased		-	-	-	49,448	-	3,291	-	2,113
Financial liabilities held at fair value through profit or loss		-	-	2	-	-	-	-	-
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>1,029</b>	<b>450</b>	<b>98,053</b>	<b>79,417</b>	<b>24,451</b>	<b>69,554</b>	<b>130,894</b>	<b>307,067</b>
<b>Net assets attributable to unitholders (equity)*</b>	4	<b>76,364</b>	<b>83,034</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net assets attributable to unitholders (liability)</b>	4	<b>-</b>	<b>-</b>	<b>4,601,717</b>	<b>4,748,765</b>	<b>1,894,184</b>	<b>1,954,736</b>	<b>12,623,312</b>	<b>12,083,700</b>

The above balance sheets should be read in conjunction with the accompanying notes.

\*Effective from 1 July 2017, Vanguard MSCI Australian Large Companies Index ETF units have been reclassified from financial liability to equity. Refer note 4 for further details.

# Balance sheets (continued)

As at 31 December 2018

		Vanguard MSCI Australian Small Companies Index ETF		Vanguard FTSE Europe Shares ETF		Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard FTSE Emerging Markets Shares ETF	
		31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>									
Cash and cash equivalents		176	360	149	166	14,119	48,477	211	218
Margin accounts		-	-	-	-	110,885	40,485	-	-
Receivables		20	9	14	10	807	1,400	19	16
Accrued income		517	559	-	-	331	65	-	-
Due from brokers - receivable for securities sold		2,418	1,220	807	2,590	109,469	26,954	1,110	845
Financial assets held at fair value through profit or loss		195,320	186,759	199,493	191,782	3,332,468	3,104,401	230,966	203,977
<b>Total assets</b>		<b>198,451</b>	<b>188,907</b>	<b>200,463</b>	<b>194,548</b>	<b>3,568,079</b>	<b>3,221,782</b>	<b>232,306</b>	<b>205,056</b>
<b>Liabilities</b>									
Margin accounts		-	1	-	-	-	-	-	-
Distribution payable	5	3,396	1,842	878	2,927	17,505	7,036	1,261	936
Payables		52	46	46	43	37,426	43,841	70	64
Due to brokers - payables for securities purchased		-	223	-	-	4,513	157,658	-	-
Financial liabilities held at fair value through profit or loss		-	-	-	-	191,628	56,151	-	-
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>3,448</b>	<b>2,112</b>	<b>924</b>	<b>2,970</b>	<b>251,072</b>	<b>264,686</b>	<b>1,331</b>	<b>1,000</b>
<b>Net assets attributable to unitholders (equity)*</b>	4	<b>195,003</b>	<b>186,795</b>	<b>199,539</b>	<b>191,578</b>	<b>-</b>	<b>-</b>	<b>230,975</b>	<b>204,056</b>
<b>Net assets attributable to unitholders (liability)</b>	4	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,317,007</b>	<b>2,957,096</b>	<b>-</b>	<b>-</b>

The above balance sheets should be read in conjunction with the accompanying notes.

\*Effective from 1 July 2017, Vanguard MSCI Australian Small Companies Index ETF, Vanguard FTSE Europe Shares ETF and Vanguard FTSE Emerging Markets Shares ETF units have been reclassified from financial liability to equity. Refer note 4 for further details.

# Balance sheets (continued)

As at 31 December 2018

		Vanguard MSCI Index International Shares (Hedged) ETF		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)		Vanguard International Shares Index Fund	
		31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>									
Cash and cash equivalents		3,895	3,811	14,900	21,038	8,224	4,966	91,083	189,547
Margin accounts		16,061	6,878	269	310	67,540	23,920	6,042	11,063
Receivables		4	3	176	167	404	331	27,507	28,974
Accrued income		2,687	5,259	7	9	96	-	15,567	15,327
Due from brokers - receivable for securities sold		3,000	-	19,983	14,736	59,620	33,525	3	55
Financial assets held at fair value through profit or loss		443,363	403,298	746,252	757,066	1,738,982	1,779,891	14,079,291	14,555,308
<b>Total assets</b>		<b>469,010</b>	<b>419,249</b>	<b>781,587</b>	<b>793,326</b>	<b>1,874,866</b>	<b>1,842,633</b>	<b>14,219,493</b>	<b>14,800,274</b>
<b>Liabilities</b>									
Distribution payable	5	-	4,385	4,847	13,737	25,867	10,700	153,212	322,005
Payables		99	37	285	1,782	750	2,441	55,864	133,129
Due to brokers - payables for securities purchased		-	-	939	4,951	12,931	429	-	-
Financial liabilities held at fair value through profit or loss		25,448	7,671	30,401	18,412	117,318	33,096	134	101
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>25,547</b>	<b>12,093</b>	<b>36,472</b>	<b>38,882</b>	<b>156,866</b>	<b>46,666</b>	<b>209,210</b>	<b>455,235</b>
<b>Net assets attributable to unitholders (equity)*</b>	4	<b>443,463</b>	<b>407,156</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net assets attributable to unitholders (liability)</b>	4	<b>-</b>	<b>-</b>	<b>745,115</b>	<b>754,444</b>	<b>1,718,000</b>	<b>1,795,967</b>	<b>14,010,283</b>	<b>14,345,039</b>

The above balance sheets should be read in conjunction with the accompanying notes.

\*Effective from 1 July 2017, Vanguard MSCI Index International Shares (Hedged) ETF units have been reclassified from financial liability to equity. Refer note 4 for further details.

# Balance sheets (continued)

As at 31 December 2018

		Vanguard Global Minimum Volatility Fund		Vanguard Global Value Equity Fund		Vanguard International Shares Index Fund (Hedged)		Vanguard Global Infrastructure Index Fund	
		31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>									
Cash and cash equivalents		12	168	116	134	87,781	80,945	3,157	6,135
Margin accounts		707	728	11	12	180,209	77,748	338	260
Receivables		36	31	29	25	702	1,114	160	278
Accrued income		126	68	64	34	46,202	101,702	982	862
Due from brokers - receivable for securities sold		153	73	37	330	-	-	10,017	-
Financial assets held at fair value through profit or loss		29,943	23,318	34,964	27,445	4,071,646	4,414,657	480,915	327,612
<b>Total assets</b>		<b>30,977</b>	<b>24,386</b>	<b>35,221</b>	<b>27,980</b>	<b>4,386,540</b>	<b>4,676,166</b>	<b>495,569</b>	<b>335,147</b>
<b>Liabilities</b>									
Distribution payable	5	-	-	106	1,584	4,595	130,725	3,641	12,747
Payables		9	7	10	7	358	23,719	9,219	281
Due to brokers - payables for securities purchased		-	62	-	-	-	-	-	-
Financial liabilities held at fair value through profit or loss		902	665	2	2	249,355	109,728	172	18
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>911</b>	<b>734</b>	<b>118</b>	<b>1,593</b>	<b>254,308</b>	<b>264,172</b>	<b>13,032</b>	<b>13,046</b>
<b>Net assets attributable to unitholders (equity)*</b>	4	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>322,101</b>
<b>Net assets attributable to unitholders (liability)</b>	4	<b>30,066</b>	<b>23,652</b>	<b>35,103</b>	<b>26,387</b>	<b>4,132,232</b>	<b>4,411,994</b>	<b>482,537</b>	<b>-</b>

The above balance sheets should be read in conjunction with the accompanying notes.

\*Effective from 1 July 2018, Vanguard Global Infrastructure Index Fund units have been reclassified from financial equity to liability.

# Balance sheets (continued)

As at 31 December 2018

		Vanguard International Small Companies Index Fund		Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)		Vanguard Ethically Conscious International Shares Fund		Vanguard International Shares Select Exclusions Index Fund	
		31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>									
Cash and cash equivalents		6,635	3,788	9,064	-	4,814	-	5,543	14,763
Margin accounts		631	231	6,085	-	3,818	-	15,394	15,321
Receivables		426	389	16	-	257	-	1,508	2,432
Accrued income		1,044	840	29	-	308	-	1,088	1,164
Due from brokers - receivable for securities sold		664	5,785	6,318	-	3,331	-	10,805	9,842
Financial assets held at fair value through profit or loss		715,001	718,968	271,548	-	249,489	-	1,098,010	1,208,274
<b>Total assets</b>		<b>724,401</b>	<b>730,001</b>	<b>293,060</b>	<b>-</b>	<b>262,017</b>	<b>-</b>	<b>1,132,348</b>	<b>1,251,796</b>
<b>Liabilities</b>									
Distribution payable	5	7,048	29,174	5,562	-	3,492	-	4,970	14,623
Payables		2,688	5,375	92	-	55	-	235	1,630
Due to brokers - payables for securities purchased		-	702	122	-	-	-	-	-
Financial liabilities held at fair value through profit or loss		51	35	15,930	-	10,986	-	32,315	32,017
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>9,787</b>	<b>35,286</b>	<b>21,706</b>	<b>-</b>	<b>14,533</b>	<b>-</b>	<b>37,520</b>	<b>48,270</b>
<b>Net assets attributable to unitholders (equity)*</b>	4	-	694,715	-	-	-	-	-	-
<b>Net assets attributable to unitholders (liability)</b>	4	<b>714,614</b>	<b>-</b>	<b>271,354</b>	<b>-</b>	<b>247,484</b>	<b>-</b>	<b>1,094,828</b>	<b>1,203,526</b>

The above balance sheets should be read in conjunction with the accompanying notes.

\*Effective from 1 July 2018, Vanguard International Small Companies Index Fund units have been reclassified from financial equity to liability.



# Statements of changes in equity

For the half-year ended 31 December 2018

		Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Australian Corporate Fixed Interest Index Fund		Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund	
		31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the financial half-year</b>		95,816	-	-	-	-	-	-	-
Reclassification due to AMIT tax regime implementation	4	-	27,326	-	-	-	-	-	-
<b>Comprehensive income for the half-year</b>									
Profit/(loss) for the half-year		(5,623)	4,107	-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the half-year</b>		(5,623)	4,107	-	-	-	-	-	-
<b>Transactions with unitholders</b>									
Applications		22,824	21,218	-	-	-	-	-	-
Redemptions		-	-	-	-	-	-	-	-
Units issued upon reinvestment of distributions		327	148	-	-	-	-	-	-
Distributions paid and payable		(1,358)	(569)	-	-	-	-	-	-
<b>Total transactions with unitholders</b>		21,793	20,797	-	-	-	-	-	-
<b>Total equity at the end of the financial half-year</b>		111,986	52,230	-	-	-	-	-	-

		Vanguard MSCI Australian Large Companies Index ETF		Vanguard Australian Property Securities Index Fund		Vanguard Australian Shares High Yield Fund		Vanguard Australian Shares Index Fund	
		31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the financial half-year</b>		83,034	-	-	-	-	-	-	-
Reclassification due to AMIT tax regime implementation	4	-	71,133	-	-	-	-	-	-
<b>Comprehensive income for the half-year</b>									
Profit/(loss) for the half-year		(4,080)	5,013	-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the half-year</b>		(4,080)	5,013	-	-	-	-	-	-
<b>Transactions with unitholders</b>									
Applications		-	7,321	-	-	-	-	-	-
Redemptions		-	-	-	-	-	-	-	-
Units issued upon reinvestment of distributions		117	95	-	-	-	-	-	-
Distributions paid and payable		(2,707)	(2,228)	-	-	-	-	-	-
<b>Total transactions with unitholders</b>		(2,590)	5,188	-	-	-	-	-	-
<b>Total equity at the end of the financial half-year</b>		76,364	81,334	-	-	-	-	-	-

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

# Statements of changes in equity (continued)

For the half-year ended 31 December 2018

	Notes	Vanguard MSCI Australian Small Companies Index ETF		Vanguard FTSE Europe Shares ETF		Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard FTSE Emerging Markets Shares ETF	
		31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the financial half-year</b>		<b>186,795</b>	-	<b>191,578</b>	-	-	-	<b>204,056</b>	-
Reclassification due to AMIT tax regime implementation	4	-	92,012	-	82,374	-	-	-	110,433
<b>Comprehensive income for the half-year</b>									
Profit/(loss) for the half-year		(26,638)	15,513	(18,202)	6,752	-	-	(8,011)	14,456
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the half-year</b>		<b>(26,638)</b>	<b>15,513</b>	<b>(18,202)</b>	<b>6,752</b>	<b>-</b>	<b>-</b>	<b>(8,011)</b>	<b>14,456</b>
<b>Transactions with unitholders</b>									
Applications		41,496	32,374	27,502	51,995	-	-	37,832	55,124
Redemptions		(3,481)	-	-	-	-	-	-	-
Units issued upon reinvestment of distributions		227	341	135	24	-	-	302	147
Distributions paid and payable		(3,396)	(1,457)	(1,474)	(978)	-	-	(3,204)	(1,920)
<b>Total transactions with unitholders</b>		<b>34,846</b>	<b>31,258</b>	<b>26,163</b>	<b>51,041</b>	<b>-</b>	<b>-</b>	<b>34,930</b>	<b>53,351</b>
<b>Total equity at the end of the financial half-year</b>		<b>195,003</b>	<b>138,783</b>	<b>199,539</b>	<b>140,167</b>	<b>-</b>	<b>-</b>	<b>230,975</b>	<b>178,240</b>

	Notes	Vanguard MSCI Index International Shares (Hedged) ETF		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)		Vanguard International Shares Index Fund	
		31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the financial half-year</b>		<b>407,156</b>	-	-	-	-	-	-	-
Reclassification due to AMIT tax regime implementation	4	-	237,187	-	-	-	-	-	-
<b>Comprehensive income for the half-year</b>									
Profit/(loss) for the half-year		(40,495)	31,205	-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the half-year</b>		<b>(40,495)</b>	<b>31,205</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transactions with unitholders</b>									
Applications		76,229	104,454	-	-	-	-	-	-
Redemptions		-	-	-	-	-	-	-	-
Units issued upon reinvestment of distributions		573	1,061	-	-	-	-	-	-
Distributions paid and payable		-	(3,650)	-	-	-	-	-	-
<b>Total transactions with unitholders</b>		<b>76,802</b>	<b>101,865</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity at the end of the financial half-year</b>		<b>443,463</b>	<b>370,257</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

# Statements of changes in equity (continued)

For the half-year ended 31 December 2018

	Notes	Vanguard Global Minimum Volatility Fund		Vanguard Global Value Equity Fund		Vanguard International Shares Index Fund (Hedged)		Vanguard Global Infrastructure Index Fund	
		31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the financial half-year*</b>		-	-	-	-	-	-	-	-
Reclassification due to AMIT tax regime implementation	4	-	24,783	-	16,715	-	-	-	67,116
<b>Comprehensive income for the half-year</b>									
Profit/(loss) for the half-year		-	1,880	-	1,464	-	-	-	4,814
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the half-year</b>		-	1,880	-	1,464	-	-	-	4,814
<b>Transactions with unitholders</b>									
Applications		-	2,465	-	1,356	-	-	-	51,736
Redemptions		-	(127)	-	(1,302)	-	-	-	(2,279)
Units issued upon reinvestment of distributions		-	1,462	-	713	-	-	-	6,919
Distributions paid and payable		-	(531)	-	(296)	-	-	-	(2,642)
<b>Total transactions with unitholders</b>		-	3,269	-	471	-	-	-	53,734
<b>Total equity at the end of the financial half-year</b>		-	29,932	-	18,650	-	-	-	125,664

\*Effective from 1 July 2018, Vanguard Global Minimum Volatility Fund, Vanguard Global Value Equity Fund and Vanguard Global Infrastructure Index Fund units have been reclassified from financial liability to equity.

	Notes	Vanguard International Small Companies Index Fund		Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)		Vanguard Ethically Conscious International Shares Fund		Vanguard International Shares Select Exclusions Index Fund	
		31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	For the period 28 May 2018 to 31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the financial half-year*</b>		-	-	-	-	-	-	-	-
Reclassification due to AMIT tax regime implementation	4	-	400,532	-	-	-	-	-	-
<b>Comprehensive income for the half-year</b>									
Profit/(loss) for the half-year		-	53,045	-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the half-year</b>		-	53,045	-	-	-	-	-	-
<b>Transactions with unitholders</b>									
Applications		-	191,782	-	-	-	-	-	-
Redemptions		-	(32,351)	-	-	-	-	-	-
Units issued upon reinvestment of distributions		-	23,615	-	-	-	-	-	-
Distributions paid and payable		-	(7,856)	-	-	-	-	-	-
<b>Total transactions with unitholders</b>		-	175,190	-	-	-	-	-	-
<b>Total equity at the end of the financial half-year</b>		-	628,767	-	-	-	-	-	-

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

\*Effective from 1 July 2018, Vanguard International Small Companies Index Fund units have been reclassified from financial liability to equity.

# Statements of cash flows

For the half-year ended 31 December 2018

	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Australian Corporate Fixed Interest Index Fund		Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>								
Proceeds from sale of financial instruments held at fair value through profit or loss	1,034	1,443	44,453	28,186	790,918	928,052	50,944	53,110
Purchases of financial instruments held at fair value through profit or loss	(23,392)	(21,966)	(126,565)	(117,718)	(940,644)	(918,108)	(68,723)	(45,518)
Transaction costs on purchases of financial instruments held at fair value through profit or loss	(11)	(14)	-	-	-	-	-	-
Interest received	1	-	17	-	140	240	8	8
Dividends received	1,522	468	-	-	-	-	-	-
Distributions received	27	9	-	-	-	-	-	-
Other income received	81	109	78	87	10	22	16	3
Responsible Entity's fees paid	(203)	(65)	(446)	(192)	(6,838)	(6,504)	(578)	(653)
Operating expenses paid	(59)	(38)	(9)	(46)	(10)	(13)	(4)	(2)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(21,000)</b>	<b>(20,054)</b>	<b>(82,472)</b>	<b>(89,683)</b>	<b>(156,424)</b>	<b>3,689</b>	<b>(18,337)</b>	<b>6,948</b>
<b>Cash flows from financing activities</b>								
Proceeds from applications by unitholders	22,824	21,218	105,867	105,245	668,467	802,902	51,484	24,787
Payments for redemptions by unitholders	-	-	(20,648)	(15,105)	(475,540)	(807,597)	(22,121)	(30,768)
Distributions paid from operating activities	(2,054)	(667)	(3,587)	(1,564)	(36,695)	(36,629)	(4,141)	(5,224)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>20,770</b>	<b>20,551</b>	<b>81,632</b>	<b>88,576</b>	<b>156,232</b>	<b>(41,324)</b>	<b>25,222</b>	<b>(11,205)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(230)</b>	<b>497</b>	<b>(840)</b>	<b>(1,107)</b>	<b>(192)</b>	<b>(37,635)</b>	<b>6,885</b>	<b>(4,257)</b>
Cash and cash equivalents at the beginning of the half-year	700	200	1,977	2,562	2,525	53,787	(250)	544
Effects of foreign currency exchange rate changes on cash and cash equivalents	23	(20)	-	-	-	-	-	-
<b>Cash and cash equivalents at the end of the half-year</b>	<b>493</b>	<b>677</b>	<b>1,137</b>	<b>1,455</b>	<b>2,333</b>	<b>16,152</b>	<b>6,635</b>	<b>(3,713)</b>
Non-cash financing activities	327	148	113	113	37,434	35,730	567	656

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

# Statements of cash flows (continued)

For the half-year ended 31 December 2018

	Vanguard MSCI Australian Large Companies Index ETF		Vanguard Australian Property Securities Index Fund		Vanguard Australian Shares High Yield Fund		Vanguard Australian Shares Index Fund	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>								
Proceeds from sale of financial instruments held at fair value through profit or loss	3,868	2,249	443,824	346,940	353,668	407,482	264,528	312,644
Purchases of financial instruments held at fair value through profit or loss	(3,523)	(9,330)	(479,500)	(310,039)	(430,939)	(597,646)	(1,877,867)	(1,317,494)
Transaction costs on purchases of financial instruments held at fair value through profit or loss	(2)	(2)	(240)	(115)	(118)	(249)	(322)	(255)
Interest received	-	-	2	-	-	4	463	367
Dividends received	2,392	2,050	1,077	1,433	64,254	59,933	295,361	226,410
Distributions received	170	167	109,444	118,935	5,115	3,983	32,182	30,231
Other income received	-	1	75	127	279	22	250	45
Responsible Entity's fees paid	(95)	(73)	(4,673)	(5,459)	(3,557)	(2,932)	(10,734)	(9,330)
Operating expenses paid	(13)	(8)	(618)	(171)	(406)	(11)	(308)	(28)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>2,797</b>	<b>(4,946)</b>	<b>69,391</b>	<b>151,651</b>	<b>(11,704)</b>	<b>(129,414)</b>	<b>(1,296,447)</b>	<b>(757,410)</b>
<b>Cash flows from financing activities</b>								
Proceeds from applications by unitholders	-	7,321	378,155	586,560	174,530	277,913	2,014,434	1,531,359
Payments for redemptions by unitholders	-	-	(413,967)	(747,920)	(83,197)	(59,966)	(476,897)	(634,312)
Distributions paid from operating activities	(1,990)	(1,770)	(30,903)	(50,543)	(81,598)	(65,782)	(175,901)	(147,249)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(1,990)</b>	<b>5,551</b>	<b>(66,715)</b>	<b>(211,903)</b>	<b>9,735</b>	<b>152,165</b>	<b>1,361,636</b>	<b>749,798</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>807</b>	<b>605</b>	<b>2,676</b>	<b>(60,252)</b>	<b>(1,969)</b>	<b>22,751</b>	<b>65,189</b>	<b>(7,612)</b>
Cash and cash equivalents at the beginning of the half-year	(580)	(513)	8,286	32,058	4,583	28,695	46,808	85,627
<b>Cash and cash equivalents at the end of the half-year</b>	<b>227</b>	<b>92</b>	<b>10,962</b>	<b>(28,194)</b>	<b>2,614</b>	<b>51,446</b>	<b>111,997</b>	<b>78,015</b>
Non-cash financing activities	117	95	15,266	30,810	26,247	22,009	171,414	177,104

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

# Statements of cash flows (continued)

For the half-year ended 31 December 2018

	Vanguard MSCI Australian Small Companies Index ETF		Vanguard FTSE Europe Shares ETF		Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard FTSE Emerging Markets Shares ETF	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>								
Proceeds from sale of financial instruments held at fair value through profit or loss	26,520	10,320	3,421	1,669	2,043,855	1,665,843	2,125	942
Purchases of financial instruments held at fair value through profit or loss	(66,484)	(42,301)	(29,088)	(54,877)	(2,387,955)	(4,203,783)	(40,715)	(58,674)
Transaction costs on purchases of financial instruments held at fair value through profit or loss	(8)	(3)	(1)	(2)	-	-	(2)	(7)
Interest received	-	-	2	1	62	318	1	1
Dividends received	3,090	1,541	-	-	-	-	-	-
Distributions received	551	365	1,785	993	-	-	3,557	2,085
Other income received	79	32	12	26	50	155	15	26
Responsible Entity's fees paid	(301)	(158)	(274)	(127)	(3,728)	(2,053)	(386)	(223)
Operating expenses paid	(31)	(14)	(7)	(3)	(359)	(417)	(9)	-
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(36,584)</b>	<b>(30,218)</b>	<b>(24,150)</b>	<b>(52,320)</b>	<b>(348,075)</b>	<b>(2,539,937)</b>	<b>(35,414)</b>	<b>(55,850)</b>
<b>Cash flows from financing activities</b>								
Proceeds from applications by unitholders	41,496	32,374	27,502	52,517	434,451	2,660,219	37,832	55,063
Payments for redemptions by unitholders	(3,481)	-	-	-	(118,443)	(28,172)	-	-
Distributions paid from operating activities	(1,615)	(2,383)	(3,388)	(1,224)	(138)	-	(2,577)	(1,610)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>36,400</b>	<b>29,991</b>	<b>24,114</b>	<b>51,293</b>	<b>315,870</b>	<b>2,632,047</b>	<b>35,255</b>	<b>53,453</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(184)</b>	<b>(227)</b>	<b>(36)</b>	<b>(1,027)</b>	<b>(32,205)</b>	<b>92,110</b>	<b>(159)</b>	<b>(2,397)</b>
Cash and cash equivalents at the beginning of the half-year	360	401	166	1,220	48,477	-	218	2,566
Effects of foreign currency exchange rate changes on cash and cash equivalents	-	-	19	88	(2,153)	2,922	152	71
<b>Cash and cash equivalents at the end of the half-year</b>	<b>176</b>	<b>174</b>	<b>149</b>	<b>281</b>	<b>14,119</b>	<b>95,032</b>	<b>211</b>	<b>240</b>
Non-cash financing activities	227	341	135	24	18,618	16,215	302	147

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

# Statements of cash flows (continued)

For the half-year ended 31 December 2018

	Vanguard MSCI Index International Shares (Hedged) ETF		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)		Vanguard International Shares Index Fund	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>								
Proceeds from sale of financial instruments held at fair value through profit or loss	(7,606)	15,267	252,430	965,792	379,531	1,728,504	723,162	422,150
Purchases of financial instruments held at fair value through profit or loss	(64,900)	(116,668)	(230,386)	(196,269)	(281,798)	(331,030)	(1,018,242)	(1,671,006)
Transaction costs on purchases of financial instruments held at fair value through profit or loss	-	-	-	-	(14)	-	(362)	(944)
Interest received	26	90	15	54	54	176	173	123
Dividends received	-	-	-	-	-	-	124,406	112,831
Distributions received	-	-	-	-	-	-	8,041	4,836
Other income received	132	148	59	1,656	39	1,549	279	570
Responsible Entity's fees paid	(78)	(55)	(1,135)	(1,561)	(2,111)	(2,655)	(13,571)	(11,602)
Operating expenses paid	(17)	(29)	(1,516)	(56)	(1,431)	(95)	(1,446)	(171)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(72,443)</b>	<b>(101,247)</b>	<b>19,467</b>	<b>769,616</b>	<b>94,270</b>	<b>1,396,449</b>	<b>(177,560)</b>	<b>(1,143,213)</b>
<b>Cash flows from financing activities</b>								
Proceeds from applications by unitholders	76,229	105,074	113,559	96,997	222,585	248,040	1,881,007	2,404,901
Payments for redemptions by unitholders	-	-	(128,548)	(856,215)	(305,648)	(1,618,962)	(1,694,139)	(1,226,593)
Distributions paid from operating activities	(3,812)	(9,136)	(10,393)	(23,530)	(8,245)	(31,639)	(113,843)	(146,263)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>72,417</b>	<b>95,938</b>	<b>(25,382)</b>	<b>(782,748)</b>	<b>(91,308)</b>	<b>(1,402,561)</b>	<b>73,025</b>	<b>1,032,045</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(26)</b>	<b>(5,309)</b>	<b>(5,915)</b>	<b>(13,132)</b>	<b>2,962</b>	<b>(6,112)</b>	<b>(104,535)</b>	<b>(111,168)</b>
Cash and cash equivalents at the beginning of the half-year	3,811	2,154	21,038	22,812	4,966	19,318	189,547	282,304
Effects of foreign currency exchange rate changes on cash and cash equivalents	110	2	(223)	(68)	296	(1,583)	6,071	(1,118)
<b>Cash and cash equivalents at the end of the half-year</b>	<b>3,895</b>	<b>(3,153)</b>	<b>14,900</b>	<b>9,612</b>	<b>8,224</b>	<b>11,623</b>	<b>91,083</b>	<b>170,018</b>
Non-cash financing activities	573	1,061	6,581	29,719	7,825	39,793	293,376	468,903

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

# Statements of cash flows (continued)

For the half-year ended 31 December 2018

	Vanguard Global Minimum Volatility Fund		Vanguard Global Value Equity Fund		Vanguard International Shares Index Fund (Hedged)		Vanguard Global Infrastructure Index Fund	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>								
Proceeds from sale of financial instruments held at fair value through profit or loss	4,705	4,801	7,082	5,789	311,312	326,001	58,901	14,579
Purchases of financial instruments held at fair value through profit or loss	(13,224)	(7,462)	(19,353)	(6,143)	(251,388)	(1,139,818)	(218,340)	(89,637)
Transaction costs on purchases of financial instruments held at fair value through profit or loss	(4)	(7)	(5)	(7)	-	-	(31)	(34)
Interest received	2	1	1	-	354	1,014	7	9
Dividends received	231	256	340	173	-	-	4,415	4,098
Distributions received	111	57	6	6	-	-	527	349
Other income received	9	-	6	-	23	697	2	44
Responsible Entity's fees paid	(41)	(46)	(55)	(31)	(817)	(834)	(826)	(751)
Operating expenses paid	(21)	(25)	(34)	(10)	(1,007)	(186)	(74)	(35)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(8,232)</b>	<b>(2,425)</b>	<b>(12,012)</b>	<b>(223)</b>	<b>58,477</b>	<b>(813,126)</b>	<b>(155,419)</b>	<b>(71,378)</b>
<b>Cash flows from financing activities</b>								
Proceeds from applications by unitholders	10,118	2,765	14,020	1,356	541,841	1,382,250	236,088	95,790
Payments for redemptions by unitholders	(2,050)	(127)	(1,668)	(1,302)	(545,169)	(329,487)	(76,463)	(17,921)
Distributions paid from operating activities	-	(38)	(363)	-	(49,253)	(226,058)	(6,435)	(7,814)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>8,068</b>	<b>2,600</b>	<b>11,989</b>	<b>54</b>	<b>(52,581)</b>	<b>826,705</b>	<b>153,190</b>	<b>70,055</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(164)</b>	<b>175</b>	<b>(23)</b>	<b>(169)</b>	<b>5,896</b>	<b>13,579</b>	<b>(2,229)</b>	<b>(1,323)</b>
Cash and cash equivalents at the beginning of the half-year	168	245	134	247	80,945	13,441	6,135	2,241
Effects of foreign currency exchange rate changes on cash and cash equivalents	8	8	5	(2)	940	(424)	(749)	141
<b>Cash and cash equivalents at the end of the half-year</b>	<b>12</b>	<b>428</b>	<b>116</b>	<b>76</b>	<b>87,781</b>	<b>26,596</b>	<b>3,157</b>	<b>1,059</b>
Non-cash financing activities	-	1,462	1,354	713	81,472	299,605	8,374	7,409

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



# Statements of cash flows (continued)

For the half-year ended 31 December 2018

	Vanguard International Small Companies Index Fund		Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)		Vanguard Ethically Conscious International Shares Fund		Vanguard International Shares Select Exclusions Index Fund	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	For the period 28 May 2018 to 31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>								
Proceeds from sale of financial instruments held at fair value through profit or loss	52,671	44,399	122,890	-	11,259	-	369,986	89,097
Purchases of financial instruments held at fair value through profit or loss	(146,225)	(204,434)	(374,341)	-	(281,355)	-	(323,425)	(185,388)
Transaction costs on purchases of financial instruments held at fair value through profit or loss	(20)	(111)	-	-	(5)	-	(26)	(25)
Interest received	3	3	5	-	32	-	82	44
Dividends received	4,022	2,830	-	-	999	-	9,370	8,347
Distributions received	1,520	1,077	-	-	56	-	681	358
Other income received	19	43	2	-	4	-	57	486
Responsible Entity's fees paid	(1,479)	(1,035)	(220)	-	(160)	-	(1,472)	(1,169)
Operating expenses paid	(160)	(101)	-	-	(81)	-	(1,477)	(157)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(89,649)</b>	<b>(157,329)</b>	<b>(251,664)</b>	<b>-</b>	<b>(269,251)</b>	<b>-</b>	<b>53,776</b>	<b>(88,407)</b>
<b>Cash flows from financing activities</b>								
Proceeds from applications by unitholders	134,534	192,550	262,271	-	273,819	-	360,813	199,398
Payments for redemptions by unitholders	(40,330)	(33,096)	(1,713)	-	(15)	-	(422,430)	(115,493)
Distributions paid from operating activities	(2,074)	(1,628)	(37)	-	(9)	-	(2,921)	(1,773)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>92,130</b>	<b>157,826</b>	<b>260,521</b>	<b>-</b>	<b>273,795</b>	<b>-</b>	<b>(64,538)</b>	<b>82,132</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,481</b>	<b>497</b>	<b>8,857</b>	<b>-</b>	<b>4,544</b>	<b>-</b>	<b>(10,762)</b>	<b>(6,275)</b>
Cash and cash equivalents at the beginning of the half-year	3,788	3,853	-	-	-	-	14,763	21,845
Effects of foreign currency exchange rate changes on cash and cash equivalents	366	604	207	-	270	-	1,542	(1,366)
<b>Cash and cash equivalents at the end of the half-year</b>	<b>6,635</b>	<b>4,954</b>	<b>9,064</b>	<b>-</b>	<b>4,814</b>	<b>-</b>	<b>5,543</b>	<b>14,204</b>
Non-cash financing activities	29,151	23,647	276	-	53	-	-	-

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

# Notes to the financial statements

For the half-year ended 31 December 2018

## 1 General information

These financial statements cover the Vanguard Multi-class Funds & Standalone ETFs (the “Funds”) as registered managed investment schemes. The respective constitution dates are as follows:

- Vanguard FTSE Asia ex Japan Shares Index ETF 16 November 2015
- Vanguard Australian Corporate Fixed Interest Index Fund 17 May 2016
- Vanguard Australian Fixed Interest Index Fund 6 December 1996
- Vanguard Australian Government Bond Index Fund 14 November 2008
- Vanguard MSCI Australian Large Companies Index ETF 17 December 2010
- Vanguard Australian Property Securities Index Fund 10 December 1997
- Vanguard Australian Shares High Yield Fund 21 February 2000
- Vanguard Australian Shares Index Fund 6 December 1996
- Vanguard MSCI Australian Small Companies Index ETF 9 August 2007
- Vanguard FTSE Europe Shares ETF 16 September 2015
- Vanguard Global Aggregate Bond Index Fund (Hedged) 12 April 2017
- Vanguard FTSE Emerging Markets Shares ETF 17 October 2010
- Vanguard MSCI Index International Shares (Hedged) ETF 25 September 2013
- Vanguard International Credit Securities Index Fund (Hedged) 11 December 2000
- Vanguard International Fixed Interest Index Fund (Hedged) 18 May 1999
- Vanguard International Shares Index Fund 6 December 1996
- Vanguard Global Minimum Volatility Fund 31 August 2016
- Vanguard Global Value Equity Fund 31 August 2016
- Vanguard International Shares Index Fund (Hedged) 8 June 2000
- Vanguard Global Infrastructure Index Fund 26 October 2007
- Vanguard International Small Companies Index Fund 9 August 2007
- Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) 7 August 2018
- Vanguard Ethically Conscious International Shares Fund 28 August 2018
- Vanguard International Shares Select Exclusions Index Fund 9 December 2016

The Responsible Entity of the Vanguard Wholesale Funds is Vanguard Investments Australia Ltd (the “Responsible Entity”). The Responsible Entity’s registered office is Level 34, Freshwater Place, 2 Southbank Boulevard, Southbank Vic 3006.

The Funds invest in accordance with the investment policy of the Funds as set out in their respective Product Disclosure Statements (PDSs) and in accordance with the Funds’ Constitution. The Funds seek to track the returns of the Funds’ respective indices, before taking into account Fund fees and expenses.

The Vanguard Ethically Conscious International Shares Fund was registered on 28 May 2018 and commenced trading on 28 August 2018.

The ETF Class units of the Funds operate as Exchange Traded Funds (ETFs) listed on the Australian Securities Exchange.

The financial statements were authorised for issue by the directors on 5 March 2019. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 2 Basis of preparation of interim report

These interim general purpose financial statements for the half-year ended 31 December 2018 have been prepared in accordance with accounting standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The Funds are for-profit unit trusts for the purpose of preparing the financial statements.

This interim financial report does not include all the notes of the type normally included in an annual report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2018 and any public announcements made in the respect of the Funds during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding half-year reporting period.

### New accounting standards or amendments adopted by the Funds

Certain new standards, interpretations or amendments to existing standards that are effective for the first time for the half-year beginning 1 July 2018 that would be expected to have a material impact on the Funds:

#### (i) AASB 9 *Financial Instruments* (and applicable amendments), (effective from 1 January 2018)

AASB 9 *Financial Instruments* became effective for annual periods beginning on or after 1 January 2018. It addresses the classification, measurement and derecognition of financial assets and liabilities and replaces the multiple classification and measurement models in AASB 139.

Classification and measurement of debt securities is driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

A debt instrument is measured at amortised cost if the objective of the business model is to hold the financial asset for the collection of the contractual cash flows and the contractual cash flows under the instrument represent solely payments of principal and interest (SPPI). A debt instrument is measured at fair value through other comprehensive income if the objective of the business model is to hold the financial asset both to collect contractual cash flows from SPPI and to sell.

All other debt instruments must be recognised at fair value through profit or loss. An entity may however, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

Derivative and equity instruments are measured at fair value through profit or loss unless, for equity instruments not held for trading, an irrevocable option is taken to measure at fair value through other comprehensive income. AASB 9 also introduces a new expected credit loss (ECL) impairment model.

AASB 9 has been applied retrospectively by the Funds without the use of hindsight and it has determined that adoption did not result in a change to the classification or measurement of financial instruments in either the current or comparative period. The Funds have elected to restate the comparative period presented to comply with AASB 9. The Funds' investment portfolios continue to be classified as fair value through profit or loss and other financial assets which are held for collection continue to be measured at amortised cost. There was no material impact on adoption from the application of the new impairment model.

The Funds have adopted the following new accounting policies applicable from 1 July 2018.

#### (a) Financial asset and liabilities at fair value through profit or loss

##### (i) Classification

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

For equity securities and derivatives, the contractual cash flows of these instruments do not represent solely payments of principal and interest. Consequently, these investments are measured at fair value through profit or loss.

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

##### (b) Investment income

Interest income from financial assets at amortised cost is recognised on a time-proportionate basis 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.

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.

Other changes in fair value for such instruments are recorded in accordance with the policies described in note 2(b) to the financial statements.

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 2 Basis of preparation of interim report (continued)

New and amended standards adopted by the Funds (continued)

(i) **AASB 9 *Financial Instruments* (and applicable amendments), (effective from 1 January 2018) (continued)**

(c) **Due from/to brokers**

Amounts due from/to brokers 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.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Funds 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 Funds 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.

(ii) **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 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 gains on financial instruments held at fair value. All of these are outside the scope of the new revenue standard. As a consequence, the adoption of the new revenue recognition rules do not have a significant impact on the Funds' accounting policies or the amounts recognised in the financial statements.

### **Securities lending arrangements**

The Funds have entered into securities lending arrangements under which legal title to some of the Funds' assets may be transferred to another entity. The securities are loaned by JPM Chase Bank, N.A., Sydney Branch as agent of the Responsible Entity, to a limited number of pre-approved brokers and other financial institutions (the 'Borrowers'). The Borrowers provide collateral against loans to an amount of 105% of the fair value of the loaned securities. The gross earnings on securities lending arrangements have been recognised in the statement of comprehensive income as other income. All securities lending revenue, with the exception of a minimal lending agent fee, are received directly into the Funds. The risks and benefits of ownership of the loaned assets remain with the Funds, because the Funds continue to enjoy the risks and benefits of ownership, assets that have been loaned have not been derecognised (i.e. treated as having been sold). JPM Chase Bank, N.A., Sydney Branch, as lending agent, indemnifies the Funds for replacement of any loaned securities (or, in certain circumstances, return of equivalent cash value) due to a Borrower default on a security loan.

## 3 Fair value measurement

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

- Financial assets / liabilities held at fair value through profit or loss (FVTPL)
- Derivative financial instruments

The Funds have no assets or liabilities at fair value on a non-recurring basis in the current reporting period.

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

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

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 3 Fair value measurement (continued)

### (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 to the financial statements. For the majority of investments, the Funds rely on information provided by independent pricing services for the valuation of 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 market risks, they use mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open 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 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. The carrying amounts of the Funds' assets and liabilities at the balance sheet date approximate their fair values.

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 fair value of derivatives that are not exchange traded is estimated at the amount that the Funds would receive or pay to terminate the contract at the balance sheet date taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date. The fair value of an option contract is determined by applying the Black-Scholes option valuation model.

Investments in other unlisted unit trusts are recorded at the redemption value per unit as reported by the investment managers of such funds.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Funds hold. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

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 Fund for similar financial instruments.

### Recognised fair value measurements

The following tables present the Funds' financial assets and liabilities (by asset class) measured at fair value according to the fair value hierarchy at 31 December 2018 and 30 June 2018.

Vanguard FTSE Asia ex Japan Shares Index ETF								
31 December 2018				30 June 2018				
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Equity securities	110,391	21	-	110,412	95,104	51	-	95,155
Listed unit trusts	1,031	-	-	1,031	777	-	-	777
<b>Total</b>	<b>111,422</b>	<b>21</b>	<b>-</b>	<b>111,443</b>	<b>95,881</b>	<b>51</b>	<b>-</b>	<b>95,932</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	6	-	-	6	-	-	-	-
<b>Total</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 3 Fair value measurement (continued)

### Recognised fair value measurements (continued)

Vanguard Australian Corporate Fixed Interest Index Fund								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	5	-	-	5	3	-	-	3
Fixed interest securities	-	366,708	-	366,708	-	279,139	-	279,139
<b>Total</b>	<b>5</b>	<b>366,708</b>	<b>-</b>	<b>366,713</b>	<b>3</b>	<b>279,139</b>	<b>-</b>	<b>279,142</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	5	-	-	5	2	-	-	2
<b>Total</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>2</b>
Vanguard Australian Fixed Interest Index Fund								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	11	-	-	11	106	-	-	106
Fixed interest securities	-	6,005,418	-	6,005,418	-	5,651,910	-	5,651,910
<b>Total</b>	<b>11</b>	<b>6,005,418</b>	<b>-</b>	<b>6,005,429</b>	<b>106</b>	<b>5,651,910</b>	<b>-</b>	<b>5,652,016</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	82	-	-	82	51	-	-	51
<b>Total</b>	<b>82</b>	<b>-</b>	<b>-</b>	<b>82</b>	<b>51</b>	<b>-</b>	<b>-</b>	<b>51</b>
Vanguard Australian Government Bond Index Fund								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	62	-	-	62	-	-	-	-
Fixed interest securities	-	476,024	-	476,024	-	438,891	-	438,891
<b>Total</b>	<b>62</b>	<b>476,024</b>	<b>-</b>	<b>476,086</b>	<b>-</b>	<b>438,891</b>	<b>-</b>	<b>438,891</b>
Vanguard MSCI Australian Large Companies Index ETF								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Equity securities	68,676	-	-	68,676	76,465	-	-	76,465
Listed unit trusts	7,674	-	-	7,674	6,478	-	-	6,478
<b>Total</b>	<b>76,350</b>	<b>-</b>	<b>-</b>	<b>76,350</b>	<b>82,943</b>	<b>-</b>	<b>-</b>	<b>82,943</b>

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 3 Fair value measurement (continued)

### Recognised fair value measurements (continued)

Vanguard Australian Property Securities Index Fund								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	-	-	-	-	22	-	-	22
Equity securities	192,175	-	-	192,175	440,941	-	-	440,941
Listed unit trusts	4,393,377	-	-	4,393,377	4,293,020	-	-	4,293,020
<b>Total</b>	<b>4,585,552</b>	<b>-</b>	<b>-</b>	<b>4,585,552</b>	<b>4,733,983</b>	<b>-</b>	<b>-</b>	<b>4,733,983</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	2	-	-	2	-	-	-	-
<b>Total</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Vanguard Australian Shares High Yield Fund								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	-	-	-	-	2	-	-	2
Equity securities	1,696,578	-	-	1,696,578	1,766,349	-	-	1,766,349
Listed unit trusts	202,356	-	-	202,356	203,473	-	-	203,473
<b>Total</b>	<b>1,898,934</b>	<b>-</b>	<b>-</b>	<b>1,898,934</b>	<b>1,969,824</b>	<b>-</b>	<b>-</b>	<b>1,969,824</b>

Vanguard Australian Shares Index Fund								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	38	-	-	38	-	-	-	-
Equity securities	11,108,340	2,426	-	11,110,766	10,835,047	622	-	10,835,669
Listed unit trusts	1,438,103	-	-	1,438,103	1,308,825	-	-	1,308,825
<b>Total</b>	<b>12,546,481</b>	<b>2,426</b>	<b>-</b>	<b>12,548,907</b>	<b>12,143,872</b>	<b>622</b>	<b>-</b>	<b>12,144,494</b>

Vanguard MSCI Australian Small Companies Index ETF								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Equity securities	169,165	253	-	169,418	163,093	52	-	163,145
Listed unit trusts	25,902	-	-	25,902	23,614	-	-	23,614
<b>Total</b>	<b>195,067</b>	<b>253</b>	<b>-</b>	<b>195,320</b>	<b>186,707</b>	<b>52</b>	<b>-</b>	<b>186,759</b>

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 3 Fair value measurement (continued)

### Recognised fair value measurements (continued)

	Vanguard FTSE Europe Shares ETF							
	31 December 2018				30 June 2018			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets held at fair value through profit or loss</b>								
Listed unit trusts	199,493	-	-	199,493	191,782	-	-	191,782
<b>Total</b>	<b>199,493</b>	<b>-</b>	<b>-</b>	<b>199,493</b>	<b>191,782</b>	<b>-</b>	<b>-</b>	<b>191,782</b>

	Vanguard Global Aggregate Bond Index Fund (Hedged)							
	31 December 2018				30 June 2018			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	516	69,820	-	70,336	31	15,764	-	15,795
Fixed interest securities	-	3,262,132	-	3,262,132	-	3,088,606	-	3,088,606
<b>Total</b>	<b>516</b>	<b>3,331,952</b>	<b>-</b>	<b>3,332,468</b>	<b>31</b>	<b>3,104,370</b>	<b>-</b>	<b>3,104,401</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	123	191,505	-	191,628	10	56,141	-	56,151
<b>Total</b>	<b>123</b>	<b>191,505</b>	<b>-</b>	<b>191,628</b>	<b>10</b>	<b>56,141</b>	<b>-</b>	<b>56,151</b>

	Vanguard FTSE Emerging Markets Shares ETF							
	31 December 2018				30 June 2018			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets held at fair value through profit or loss</b>								
Listed unit trusts	230,966	-	-	230,966	203,977	-	-	203,977
<b>Total</b>	<b>230,966</b>	<b>-</b>	<b>-</b>	<b>230,966</b>	<b>203,977</b>	<b>-</b>	<b>-</b>	<b>203,977</b>

	Vanguard MSCI Index International Shares (Hedged) ETF							
	31 December 2018				30 June 2018			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	206	9,449	-	9,655	5	2,019	-	2,024
Unlisted unit trusts	-	430,008	-	430,008	-	393,680	-	393,680
Fixed interest securities*	-	3,700	-	3,700	-	7,594	-	7,594
<b>Total</b>	<b>206</b>	<b>443,157</b>	<b>-</b>	<b>443,363</b>	<b>5</b>	<b>403,293</b>	<b>-</b>	<b>403,298</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	17	25,431	-	25,448	98	7,573	-	7,671
<b>Total</b>	<b>17</b>	<b>25,431</b>	<b>-</b>	<b>25,448</b>	<b>98</b>	<b>7,573</b>	<b>-</b>	<b>7,671</b>

\*Reverse repurchase agreements are used to manage the Funds' liquidity and collateral requirements whilst preserving capital.



# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 3 Fair value measurement (continued)

### Recognised fair value measurements (continued)

Vanguard International Credit Securities Index Fund (Hedged)								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	60	1,394	-	1,454	11	2,187	-	2,198
Fixed interest securities	-	744,798	-	744,798	-	754,868	-	754,868
<b>Total</b>	<b>60</b>	<b>746,192</b>	<b>-</b>	<b>746,252</b>	<b>11</b>	<b>757,055</b>	<b>-</b>	<b>757,066</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	81	30,320	-	30,401	51	18,361	-	18,412
<b>Total</b>	<b>81</b>	<b>30,320</b>	<b>-</b>	<b>30,401</b>	<b>51</b>	<b>18,361</b>	<b>-</b>	<b>18,412</b>
Vanguard International Fixed Interest Index Fund (Hedged)								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	31	42,076	-	42,107	19	13,123	-	13,142
Fixed interest securities	-	1,696,875	-	1,696,875	-	1,766,749	-	1,766,749
<b>Total</b>	<b>31</b>	<b>1,738,951</b>	<b>-</b>	<b>1,738,982</b>	<b>19</b>	<b>1,779,872</b>	<b>-</b>	<b>1,779,891</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	94	117,224	-	117,318	23	33,073	-	33,096
<b>Total</b>	<b>94</b>	<b>117,224</b>	<b>-</b>	<b>117,318</b>	<b>23</b>	<b>33,073</b>	<b>-</b>	<b>33,096</b>
Vanguard International Shares Index Fund								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	568	29	-	597	3	23	-	26
Equity securities	13,742,365	40	-	13,742,405	14,231,531	-	-	14,231,531
Listed unit trusts	336,289	-	-	336,289	323,751	-	-	323,751
<b>Total</b>	<b>14,079,222</b>	<b>69</b>	<b>-</b>	<b>14,079,291</b>	<b>14,555,285</b>	<b>23</b>	<b>-</b>	<b>14,555,308</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	134	-	-	134	2	99	-	101
<b>Total</b>	<b>134</b>	<b>-</b>	<b>-</b>	<b>134</b>	<b>2</b>	<b>99</b>	<b>-</b>	<b>101</b>

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 3 Fair value measurement (continued)

### Recognised fair value measurements (continued)

Vanguard Global Minimum Volatility Fund								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	-	72	-	72	-	145	-	145
Equity securities	24,677	-	-	24,677	23,173	-	-	23,173
Listed unit trusts	5,194	-	-	5,194	-	-	-	-
<b>Total</b>	<b>29,871</b>	<b>72</b>	<b>-</b>	<b>29,943</b>	<b>23,173</b>	<b>145</b>	<b>-</b>	<b>23,318</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	1	901	-	902	2	663	-	665
<b>Total</b>	<b>1</b>	<b>901</b>	<b>-</b>	<b>902</b>	<b>2</b>	<b>663</b>	<b>-</b>	<b>665</b>
Vanguard Global Value Equity Fund								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Equity securities	34,685	-	-	34,685	27,426	19	-	27,445
Listed unit trusts	279	-	-	279	-	-	-	-
<b>Total</b>	<b>34,964</b>	<b>-</b>	<b>-</b>	<b>34,964</b>	<b>27,426</b>	<b>19</b>	<b>-</b>	<b>27,445</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	2	-	-	2	2	-	-	2
<b>Total</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>2</b>
Vanguard International Shares Index Fund (Hedged)								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	-	103,463	-	103,463	26	42,445	-	42,471
Unlisted unit trusts	-	3,968,183	-	3,968,183	-	4,328,286	-	4,328,286
Fixed interest securities*	-	-	-	-	-	43,900	-	43,900
<b>Total</b>	<b>-</b>	<b>4,071,646</b>	<b>-</b>	<b>4,071,646</b>	<b>26</b>	<b>4,414,631</b>	<b>-</b>	<b>4,414,657</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	1,663	247,692	-	249,355	796	108,932	-	109,728
<b>Total</b>	<b>1,663</b>	<b>247,692</b>	<b>-</b>	<b>249,355</b>	<b>796</b>	<b>108,932</b>	<b>-</b>	<b>109,728</b>

\*Reverse repurchase agreements are used to manage the Funds' liquidity and collateral requirements whilst preserving capital.

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 3 Fair value measurement (continued)

### Recognised fair value measurements (continued)

Vanguard Global Infrastructure Index Fund								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	-	-	-	-	3	6	-	9
Equity securities	480,915	-	-	480,915	327,603	-	-	327,603
<b>Total</b>	<b>480,915</b>	<b>-</b>	<b>-</b>	<b>480,915</b>	<b>327,606</b>	<b>6</b>	<b>-</b>	<b>327,612</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	172	-	-	172	-	18	-	18
<b>Total</b>	<b>172</b>	<b>-</b>	<b>-</b>	<b>172</b>	<b>-</b>	<b>18</b>	<b>-</b>	<b>18</b>
Vanguard International Small Companies Index Fund								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	-	5	-	5	2	11	-	13
Equity securities	646,598	105	-	646,703	652,191	629	-	652,820
Listed unit trusts	68,293	-	-	68,293	66,135	-	-	66,135
<b>Total</b>	<b>714,891</b>	<b>110</b>	<b>-</b>	<b>715,001</b>	<b>718,328</b>	<b>640</b>	<b>-</b>	<b>718,968</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	51	-	-	51	35	-	-	35
<b>Total</b>	<b>51</b>	<b>-</b>	<b>-</b>	<b>51</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>35</b>
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)								
	31 December 2018				30 June 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	86	8,960	-	9,046	-	-	-	-
Fixed interest securities	-	262,502	-	262,502	-	-	-	-
<b>Total</b>	<b>86</b>	<b>271,462</b>	<b>-</b>	<b>271,548</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	46	15,884	-	15,930	-	-	-	-
<b>Total</b>	<b>46</b>	<b>15,884</b>	<b>-</b>	<b>15,930</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 3 Fair value measurement (continued)

### Recognised fair value measurements (continued)

Vanguard Ethically Conscious International Shares Fund								
31 December 2018					30 June 2018			
Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
\$'000	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	1	5,648	-	5,649	-	-	-	-
Listed equities	237,806	-	-	237,806	-	-	-	-
Listed unit trusts	6,034	-	-	6,034	-	-	-	-
<b>Total</b>	<b>243,841</b>	<b>5,648</b>	<b>-</b>	<b>249,489</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	41	10,945	-	10,986	-	-	-	-
<b>Total</b>	<b>41</b>	<b>10,945</b>	<b>-</b>	<b>10,986</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Vanguard International Shares Select Exclusions Index Fund								
31 December 2018					30 June 2018			
Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
\$'000	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000	\$'000
<b>Financial assets held at fair value through profit or loss</b>								
Derivatives	1	16,829	-	16,830	22	12,629	-	12,651
Listed equities	1,051,017	2	-	1,051,019	1,189,759	-	-	1,189,759
Listed unit trusts	26,262	-	-	26,262	-	-	-	-
Fixed interest securities*	-	3,899	-	3,899	-	5,864	-	5,864
<b>Total</b>	<b>1,077,280</b>	<b>20,730</b>	<b>-</b>	<b>1,098,010</b>	<b>1,189,781</b>	<b>18,493</b>	<b>-</b>	<b>1,208,274</b>
<b>Financial liabilities held at fair value through profit or loss</b>								
Derivatives	363	31,952	-	32,315	158	31,859	-	32,017
<b>Total</b>	<b>363</b>	<b>31,952</b>	<b>-</b>	<b>32,315</b>	<b>158</b>	<b>31,859</b>	<b>-</b>	<b>32,017</b>

\*Reverse repurchase agreements are used to manage the Funds' liquidity and collateral requirements whilst preserving capital.

The Funds' policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

### Transfers between levels

The following tables present the transfers between levels during the half-year ended 31 December 2018:

	Vanguard FTSE Asia ex Japan Shares Index ETF			Vanguard Australian Shares Index Fund			Vanguard MSCI Australian Small Companies Index ETF		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
31 December 2018	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Transfers between level 1 and 2:									
Equity securities	(21)	21	-	(1,788)	1,788	-	(202)	202	-
30 June 2018									
Transfers between level 1 and 2:									
Equity securities	1,850	(1,850)	-	-	-	-	-	-	-
Transfers between level 2 and 1:									
Equity securities	(51)	51	-	-	-	-	-	-	-

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 3 Fair value measurement (continued)

### Transfers between levels (continued)

	Vanguard Global Value Equity Fund			Vanguard International Small Companies Index Fund		
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>31 December 2018</b>						
Transfers between level 1 and 2:						
Equity securities	34	(34)	-	-	-	-
<b>30 June 2018</b>						
Transfers between level 1 and 2:						
Equity securities	-	-	-	(41)	41	-
Transfers between level 2 and 1:						
Equity securities	(19)	19	-	94	(94)	-

The equity securities transferred into level 2 relates to the frequency of quoted price valuations. There were no transfers into and out of level 3 during the reporting period.

## 4 Net assets attributable to 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. Otherwise the financial instrument should be disclosed as a liability.

On 1 July 2017, the Funds have elected into the AMIT tax regime. The Funds' Constitution have been amended on the same date and they no longer have a contractual obligation to pay distributions to unitholders.

The impact of this for the Vanguard FTSE Asia ex Japan Shares Index ETF, Vanguard MSCI Australian Large Companies Index ETF, Vanguard MSCI Australian Small Companies Index ETF, Vanguard FTSE Europe Shares ETF, Vanguard FTSE Emerging Markets Shares ETF and Vanguard MSCI Index International Shares (Hedged) ETF is that their net assets attributable to unitholders is no longer disclosed as a liability, but rather as equity. As a result of the reclassification, the Funds' distributions are no longer classified as finance cost in the statement of comprehensive income, but rather as distributions paid in the statement of changes in equity.

For the remaining Funds (except Vanguard Global Minimum Volatility Fund and Vanguard Global Value Equity Fund), their net assets attributable to unitholders remain disclosed as a liability as their multi-class structure means they have not met the strict criteria for recognition as equity, despite their election into the AMIT tax regime also. Vanguard Global Minimum Volatility Fund and Vanguard Global Value Fund lost their AMIT status as of 3 April and 1 July 2018 respectively. As a result, the units in these Funds are classified as a liability as at 31 December 2018.

Movement in number of units and net assets attributable to unitholders during the half-year were as follows:

	Vanguard FTSE Asia ex Japan Shares Index ETF				Vanguard MSCI Australian Large Companies Index ETF			
	31 Dec 2018 No. '000	31 Dec 2017 No. '000	31 Dec 2018 \$'000	31 Dec 2017 \$'000	31 Dec 2018 No. '000	31 Dec 2017 No. '000	31 Dec 2018 \$'000	31 Dec 2017 \$'000
Balance as at 1 July	1,494	466	95,816	27,326	1,312	1,189	83,034	71,133
Applications	365	335	22,824	21,218	-	120	-	7,321
Redemptions	-	-	-	-	-	-	-	-
Units issued upon reinvestment of distributions	5	3	327	148	2	2	117	95
Distributions paid and payable	-	-	(1,358)	(569)	-	-	(2,707)	(2,228)
Profit/(loss) for the half-year	-	-	(5,623)	4,107	-	-	(4,080)	5,013
<b>Closing balance as at 31 December</b>	<b>1,864</b>	<b>804</b>	<b>111,986</b>	<b>52,230</b>	<b>1,314</b>	<b>1,311</b>	<b>76,364</b>	<b>81,334</b>

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 4 Net assets attributable to unitholders (continued)

	Vanguard MSCI Australian Small Companies Index ETF				Vanguard FTSE Europe Shares ETF			
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	3,266	1,876	186,795	92,012	3,511	1,600	191,578	82,374
Applications	740	620	41,496	32,374	510	985	27,502	51,995
Redemptions	(59)	-	(3,481)	-	-	-	-	-
Units issued upon reinvestment of distributions	4	7	227	341	3	1	135	24
Distributions paid and payable	-	-	(3,396)	(1,457)	-	-	(1,474)	(978)
Profit/(loss) for the half-year	-	-	(26,638)	15,513	-	-	(18,202)	6,752
<b>Closing balance as at 31 December</b>	<b>3,951</b>	<b>2,503</b>	<b>195,003</b>	<b>138,783</b>	<b>4,024</b>	<b>2,586</b>	<b>199,539</b>	<b>140,167</b>

	Vanguard FTSE Emerging Markets Shares ETF				Vanguard MSCI Index International Shares (Hedged) ETF			
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	3,197	1,859	204,056	110,433	6,282	3,993	407,156	237,187
Applications	610	870	37,832	55,124	1,205	1,690	76,229	104,454
Redemptions	-	-	-	-	-	-	-	-
Units issued upon reinvestment of distributions	5	2	302	147	8	18	573	1,061
Distributions paid and payable	-	-	(3,204)	(1,920)	-	-	-	(3,650)
Profit/(loss) for the half-year	-	-	(8,011)	14,456	-	-	(40,495)	31,205
<b>Closing balance as at 31 December</b>	<b>3,812</b>	<b>2,731</b>	<b>230,975</b>	<b>178,240</b>	<b>7,495</b>	<b>5,701</b>	<b>443,463</b>	<b>370,257</b>

	Vanguard Australian Corporate Fixed Interest Index Fund							
	Wholesale Class Units				ETF Class Units			
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	148,173	61,950	153,555	63,324	2,501	750	125,364	37,346
Applications	60,424	57,105	63,202	59,197	845	910	42,665	45,521
Redemptions	(19,704)	(14,643)	(20,642)	(15,105)	-	-	-	-
Units issued upon reinvestment of distributions	60	90	62	92	1	89	51	21
Increase/(decrease) in net assets attributable to unitholders	-	-	1,449	643	-	-	1,313	191
<b>Closing balance as at 31 December</b>	<b>188,953</b>	<b>104,502</b>	<b>197,626</b>	<b>108,151</b>	<b>3,347</b>	<b>1,749</b>	<b>169,393</b>	<b>83,079</b>

	Vanguard Australian Fixed Interest Index Fund							
	Wholesale Class Units				ETF Class Units			
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	4,408,689	4,359,547	4,928,118	4,874,234	14,414	13,192	699,451	641,795
Applications	544,607	672,711	612,604	754,498	1,120	870	54,584	42,365
Redemptions	(378,540)	(719,301)	(426,356)	(806,603)	-	(150)	-	(7,237)
Units issued upon reinvestment of distributions	33,019	31,594	36,919	35,249	11	10	515	481
Increase/(decrease) in net assets attributable to unitholders	-	-	71,597	(6,787)	-	-	10,438	(2,634)
<b>Closing balance as at 31 December</b>	<b>4,607,775</b>	<b>4,344,551</b>	<b>5,222,882</b>	<b>4,850,591</b>	<b>15,545</b>	<b>13,922</b>	<b>764,988</b>	<b>674,770</b>

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 4 Net assets attributable to unitholders (continued)

Vanguard Australian Government Bond Index Fund								
	Wholesale Class Units				ETF Class Units			
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	291,928	344,288	302,686	356,946	2,788	2,680	136,300	131,342
Applications	23,588	14,132	24,666	14,711	545	200	26,820	9,784
Redemptions	(20,736)	(22,850)	(21,549)	(23,792)	(10)	(140)	(499)	(6,877)
Units issued upon reinvestment of distributions	412	470	427	487	3	4	140	169
Increase/(decrease) in net assets attributable to unitholders	-	-	5,280	(205)	-	-	2,721	(354)
<b>Closing balance as at 31 December</b>	<b>295,192</b>	<b>336,040</b>	<b>311,510</b>	<b>348,147</b>	<b>3,326</b>	<b>2,744</b>	<b>165,482</b>	<b>134,064</b>

Vanguard Australian Property Securities Index Fund								
	Wholesale Class Units				ETF Class Units			
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	3,876,049	4,093,080	3,729,429	3,795,957	12,822	11,578	1,019,336	878,264
Applications	290,134	433,186	282,110	415,897	1,159	2,140	92,896	168,868
Redemptions	(420,812)	(650,765)	(406,186)	(616,771)	(100)	(980)	(7,820)	(78,805)
Units issued upon reinvestment of distributions	14,630	31,624	14,173	29,410	14	18	1,093	1,400
Increase/(decrease) in net assets attributable to unitholders	-	-	(97,192)	313,212	-	-	(26,122)	92,994
<b>Closing balance as at 31 December</b>	<b>3,760,001</b>	<b>3,907,125</b>	<b>3,522,334</b>	<b>3,937,705</b>	<b>13,895</b>	<b>12,756</b>	<b>1,079,383</b>	<b>1,062,721</b>

Vanguard Australian Shares High Yield Fund								
	Wholesale Class Units				ETF Class Units			
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	628,170	583,232	917,658	900,684	18,106	13,671	1,037,078	829,110
Applications	82,005	62,965	114,531	99,189	1,100	2,900	59,680	177,810
Redemptions	(51,988)	(38,493)	(74,817)	(60,519)	(100)	-	(5,995)	-
Units issued upon reinvestment of distributions	14,124	11,588	20,720	17,868	96	69	5,527	4,141
Increase/(decrease) in net assets attributable to unitholders	-	-	(84,751)	14,448	-	-	(95,447)	9,781
<b>Closing balance as at 31 December</b>	<b>672,311</b>	<b>619,292</b>	<b>893,341</b>	<b>971,670</b>	<b>19,202</b>	<b>16,640</b>	<b>1,000,843</b>	<b>1,020,842</b>

Vanguard Australian Shares Index Fund								
	Wholesale Class Units				ETF Class Units			
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	4,174,069	4,048,577	9,286,946	8,369,203	35,532	26,773	2,796,754	1,921,139
Applications	679,319	446,908	1,460,394	942,137	7,240	7,760	553,654	570,991
Redemptions	(150,635)	(299,514)	(326,510)	(629,668)	(120)	(440)	(8,577)	(33,665)
Units issued upon reinvestment of distributions	72,194	83,394	160,667	171,309	136	80	10,747	5,795
Increase/(decrease) in net assets attributable to unitholders	-	-	(998,170)	486,313	-	-	(312,593)	173,405
<b>Closing balance as at 31 December</b>	<b>4,774,947</b>	<b>4,279,365</b>	<b>9,583,327</b>	<b>9,339,294</b>	<b>42,788</b>	<b>34,173</b>	<b>3,039,985</b>	<b>2,637,665</b>

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 4 Net assets attributable to unitholders (continued)

Vanguard Global Aggregate Bond Index Fund (Hedged)								
	Wholesale Class Units				ETF Class Units			
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	2,947,782	-	2,939,912	-	345	-	17,184	-
Applications	410,376	2,650,606	410,153	2,656,029	470	90	23,385	4,522
Redemptions	(112,177)	(30,411)	(111,934)	(30,570)	-	-	-	-
Units issued upon reinvestment of distributions	18,701	16,181	18,613	16,215	-	-	5	-
Increase/(decrease) in net assets attributable to unitholders	-	-	19,433	10,821	-	-	256	(7)
<b>Closing balance as at 31 December</b>	<b>3,264,682</b>	<b>2,636,376</b>	<b>3,276,177</b>	<b>2,652,495</b>	<b>815</b>	<b>90</b>	<b>40,830</b>	<b>4,515</b>

Vanguard International Credit Securities Index Fund (Hedged)								
	Wholesale Class Units				ETF Class Units			
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	581,377	1,195,748	657,101	1,406,816	2,091	2,051	97,343	102,142
Applications	96,208	58,694	108,876	69,634	100	505	4,679	24,898
Redemptions	(96,450)	(714,852)	(109,487)	(843,794)	(410)	(255)	(19,028)	(12,415)
Units issued upon reinvestment of distributions	5,729	25,051	6,486	29,517	2	4	95	202
Increase/(decrease) in net assets attributable to unitholders	-	-	(889)	81	-	-	(61)	(3,451)
<b>Closing balance as at 31 December</b>	<b>586,864</b>	<b>564,641</b>	<b>662,087</b>	<b>662,254</b>	<b>1,783</b>	<b>2,305</b>	<b>83,028</b>	<b>111,376</b>

Vanguard International Fixed Interest Index Fund (Hedged)								
	Wholesale Class Units				ETF Class Units			
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	1,359,245	2,487,418	1,601,865	2,961,899	4,058	2,098	194,102	103,393
Applications	154,305	144,209	182,065	172,045	850	1,380	40,570	67,183
Redemptions	(259,817)	(1,352,781)	(305,316)	(1,610,358)	-	(170)	-	(8,174)
Units issued upon reinvestment of distributions	6,599	33,343	7,758	39,603	1	4	67	190
Increase/(decrease) in net assets attributable to unitholders	-	-	(2,985)	(12,469)	-	-	(126)	(3,636)
<b>Closing balance as at 31 December</b>	<b>1,260,332</b>	<b>1,312,189</b>	<b>1,483,387</b>	<b>1,550,720</b>	<b>4,909</b>	<b>3,312</b>	<b>234,613</b>	<b>158,956</b>

Vanguard International Shares Index Fund							
	Wholesale Class Units		ETF Class Units		B Class Units		
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	
	No. '000	No. '000	No. '000	No. '000	No. '000	No. '000	
Balance as at 1 July	5,942,746	5,529,517	15,816	8,753	5,784	3,756	
Applications	719,365	1,077,595	3,600	3,820	901	1,578	
Redemptions	(729,175)	(597,723)	-	-	(100)	-	
Units issued upon reinvestment of distributions	129,479	237,576	30	18	102	79	
<b>Closing balance as at 31 December</b>	<b>6,062,415</b>	<b>6,246,965</b>	<b>19,446</b>	<b>12,591</b>	<b>6,687</b>	<b>5,413</b>	



# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 4 Net assets attributable to unitholders (continued)

	Vanguard International Shares Index Fund					
	Wholesale Class Units		ETF Class Units		B Class Units	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July	12,867,849	10,762,500	1,083,338	527,943	393,852	224,514
Applications	1,566,571	2,133,028	250,348	238,476	61,201	97,572
Redemptions	(1,609,947)	(1,194,815)	-	-	(7,000)	-
Units issued upon reinvestment of distributions	284,178	463,019	2,107	1,086	7,091	4,798
Increase/(decrease) in net assets attributable to unitholders	(787,826)	896,870	(76,634)	56,020	(24,845)	25,089
<b>Closing balance as at 31 December</b>	<b>12,320,825</b>	<b>13,060,602</b>	<b>1,259,159</b>	<b>823,525</b>	<b>430,299</b>	<b>351,973</b>

	Vanguard Global Minimum Volatility Fund					
	Wholesale Class Units		ETF Class Units			
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	No. '000	No. '000	\$'000	\$'000	No. '000	\$'000
Balance as at 1 July	17,905	21,806	21,582	24,783	40	-
Applications	2,522	2,121	3,014	2,465	135	-
Redemptions	(1,703)	(108)	(2,050)	(127)	-	-
Units issued upon reinvestment of distributions	-	1,283	-	1,462	-	-
Increase/(decrease) in net assets attributable to unitholders	-	-	(1,092)	1,349	-	(562)
<b>Closing balance as at 31 December</b>	<b>18,724</b>	<b>25,102</b>	<b>21,454</b>	<b>29,932</b>	<b>175</b>	<b>-</b>

	Vanguard Global Value Equity Fund					
	Wholesale Class Units		ETF Class Units			
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	No. '000	No. '000	\$'000	\$'000	No. '000	\$'000
Balance as at 1 July	17,544	15,059	20,397	16,715	120	-
Applications	6,253	1,167	7,244	1,356	135	-
Redemptions	(1,422)	(1,144)	(1,668)	(1,302)	-	-
Units issued upon reinvestment of distributions	1,137	641	1,325	713	1	-
Increase/(decrease) in net assets attributable to unitholders	-	-	(3,364)	1,168	-	(1,626)
<b>Closing balance as at 31 December</b>	<b>23,512</b>	<b>15,723</b>	<b>23,934</b>	<b>18,650</b>	<b>256</b>	<b>-</b>

	Vanguard International Shares Index Fund (Hedged)					
	AUD Class Units		NZD Class Units			
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	No. '000	No. '000	\$'000	\$'000	No. '000	\$'000
Balance as at 1 July	5,000,478	3,619,494	4,018,471	2,803,004	277,170	268,012
Applications	669,320	1,738,826	536,284	1,377,037	3,197	3,147
Redemptions	(343,652)	(402,757)	(278,412)	(323,893)	(180,003)	(5,231)
Units issued upon reinvestment of distributions	95,743	349,082	77,581	271,621	2,966	22,101
Increase/(decrease) in net assets attributable to unitholders	-	-	(356,600)	320,708	-	(23,277)
<b>Closing balance as at 31 December</b>	<b>5,421,889</b>	<b>5,304,645</b>	<b>3,997,324</b>	<b>4,448,477</b>	<b>103,330</b>	<b>288,029</b>

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 4 Net assets attributable to unitholders (continued)

Vanguard Global Infrastructure Index Fund								
Wholesale Class Units					ETF Class Units			
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	For the period 23 Oct 2018 to 31 Dec 2018	31 Dec 2017	For the period 23 Oct 2018 to 31 Dec 2018	31 Dec 2017
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	289,932	234,182	322,101	252,521	-	-	-	-
Applications	202,858	89,859	233,477	97,278	50	-	2,483	-
Redemptions	(74,248)	(16,345)	(85,326)	(17,892)	-	-	-	-
Units issued upon reinvestment of distributions	7,493	6,872	8,374	7,409	-	-	-	-
Increase/(decrease) in net assets attributable to unitholders	-	-	1,479	-	-	-	(51)	-
Distributions paid and payable	-	-	-	(3,488)	-	-	-	-
Profit/(loss) for the half-year	-	-	-	7,147	-	-	-	-
<b>Closing balance as at 31 December</b>	<b>426,035</b>	<b>314,568</b>	<b>480,105</b>	<b>342,975</b>	<b>50</b>	<b>-</b>	<b>2,432</b>	<b>-</b>

Vanguard International Small Companies Index Fund								
Wholesale Class Units					ETF Class Units			
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	For the period 13 Nov 2018 to 31 Dec 2018	31 Dec 2017	For the period 13 Nov 2018 to 31 Dec 2018	31 Dec 2017
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	410,805	266,559	694,715	400,532	-	-	-	-
Applications	79,510	125,598	132,579	191,782	40	-	1,940	-
Redemptions	(22,698)	(20,481)	(37,639)	(32,351)	-	-	-	-
Units issued upon reinvestment of distributions	17,175	15,676	29,151	23,615	-	-	-	-
Increase/(decrease) in net assets attributable to unitholders	-	-	(106,014)	-	-	-	(118)	-
Distributions paid and payable	-	-	-	(7,856)	-	-	-	-
Profit/(loss) for the half-year	-	-	-	53,045	-	-	-	-
<b>Closing balance as at 31 December</b>	<b>484,792</b>	<b>387,352</b>	<b>712,792</b>	<b>628,767</b>	<b>40</b>	<b>-</b>	<b>1,822</b>	<b>-</b>

Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)							
	ETF Class Units		AUD Hedged Class Units		NZD Hedged Class Units		
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	
	No. '000	No. '000	No. '000	No. '000	No. '000	No. '000	
Balance as at 1 July	-	-	-	-	-	-	-
Applications	20	-	10	-	287,083	-	-
Redemptions	-	-	-	-	(1,832)	-	-
Units issued upon reinvestment of distributions	-	-	-	-	301	-	-
<b>Closing balance as at 31 December</b>	<b>20</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>285,552</b>	<b>-</b>	<b>-</b>

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 4 Net assets attributable to unitholders (continued)

	Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)					
	ETF Class Units		AUD Hedged Class Units		NZD Hedged Class Units	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July	-	-	-	-	-	-
Applications	1,000	-	10	-	261,261	-
Redemptions	-	-	-	-	(1,713)	-
Units issued upon reinvestment of distributions	-	-	-	-	276	-
Increase/(decrease) in net assets attributable to unitholders	(53)	-	(1)	-	10,574	-
<b>Closing balance as at 31 December</b>	<b>947</b>	<b>-</b>	<b>9</b>	<b>-</b>	<b>270,398</b>	<b>-</b>

	Vanguard Ethically Conscious International Shares Fund					
	ETF Class Units		AUD Unhedged Class Units		NZD Hedged Class Units	
	For the period 28 May 2018 to 31 Dec 2018	31 Dec 2017	For the period 28 May 2018 to 31 Dec 2018	31 Dec 2017	For the period 28 May 2018 to 31 Dec 2018	31 Dec 2017
	No. '000	No. '000	No. '000	No. '000	No. '000	No. '000
Balance as at 1 July	-	-	-	-	-	-
Applications	75	-	2,789	-	294,846	-
Redemptions	-	-	-	-	(17)	-
Units issued upon reinvestment of distributions	-	-	-	-	58	-
<b>Closing balance as at 31 December</b>	<b>75</b>	<b>-</b>	<b>2,789</b>	<b>-</b>	<b>294,887</b>	<b>-</b>

	Vanguard Ethically Conscious International Shares Fund					
	ETF Class Units		AUD Unhedged Class Units		NZD Hedged Class Units	
	For the period 28 May 2018 to 31 Dec 2018	31 Dec 2017	For the period 28 May 2018 to 31 Dec 2018	31 Dec 2017	For the period 28 May 2018 to 31 Dec 2018	31 Dec 2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July	-	-	-	-	-	-
Applications	3,519	-	2,752	-	267,775	-
Redemptions	-	-	-	-	(15)	-
Units issued upon reinvestment of distributions	-	-	-	-	53	-
Increase/(decrease) in net assets attributable to unitholders	(348)	-	(229)	-	(26,023)	-
<b>Closing balance as at 31 December</b>	<b>3,171</b>	<b>-</b>	<b>2,523</b>	<b>-</b>	<b>241,790</b>	<b>-</b>

	Vanguard International Shares Select Exclusions Index Fund					
	AUD Hedged Class Units		AUD Unhedged Class Units		NZD Hedged Class Units	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	No. '000	No. '000	No. '000	No. '000	No. '000	No. '000
Balance as at 1 July	21,012	-	194,757	242,574	879,451	640,280
Applications	70,955	14,915	170,745	61,103	77,507	170,613
Redemptions	(1,682)	-	(47,030)	(78,963)	(327,110)	(38,937)
Units issued upon reinvestment of distributions	83	-	4,707	2,478	6,795	2,026
<b>Closing balance as at 31 December</b>	<b>90,368</b>	<b>14,915</b>	<b>323,179</b>	<b>227,192</b>	<b>636,643</b>	<b>773,982</b>

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 4 Net assets attributable to unitholders (continued)

	Vanguard International Shares Select Exclusions Index Fund					
	AUD Hedged Class Units		AUD Unhedged Class Units		NZD Hedged Class Units	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July	19,614	-	212,076	246,912	971,836	670,234
Applications	70,653	14,935	203,381	66,647	85,657	176,249
Redemptions	(1,678)	-	(54,707)	(85,039)	(365,871)	(40,410)
Units issued upon reinvestment of distributions	83	-	5,563	2,626	7,383	2,100
Increase/(decrease) in net assets attributable to unitholders	(9,662)	(1,088)	(19,895)	9,022	(29,605)	46,023
<b>Closing balance as at 31 December</b>	<b>79,010</b>	<b>13,847</b>	<b>346,418</b>	<b>240,168</b>	<b>669,400</b>	<b>854,196</b>

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. The Vanguard FTSE Asia ex Japan Shares Index ETF, Vanguard MSCI Australian Large Companies Index ETF, Vanguard MSCI Australian Small Companies Index ETF, Vanguard FTSE Europe Shares ETF, Vanguard FTSE Emerging Markets Shares ETF and Vanguard MSCI Index International Shares (Hedged) ETF have no separate classes of units and each unit has the same rights attaching to it as all other units of the Funds.

## Capital risk management

The Funds consider their net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified either as a liability or 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 unitholders.

Daily applications and redemptions 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' Constitution, 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.

The Funds' investment strategy remains unchanged and the Funds continue to hold direct investments which provide exposure to liquid assets including equity securities, income securities, interest earnings and cash equivalent securities. As such, the Funds will meet any capital requirements from the liquidation of liquid assets, which include cash and cash equivalents.

## 5 Distributions to unitholders paid and payable

The distributions during the half-year were as follows:

	Vanguard FTSE Asia ex Japan Shares Index ETF				Vanguard MSCI Australian Large Companies Index ETF			
	31 December 2018		31 December 2017		31 December 2018		31 December 2017	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	1,096	65.3582	395	69.0459	1,704	130.2622	1,458	119.0940
Distributions payable								
- 31 December	262	12.5125	174	20.7443	1,003	75.9222	770	58.2887
	<b>1,358</b>	<b>77.8707</b>	<b>569</b>	<b>89.7902</b>	<b>2,707</b>	<b>206.1844</b>	<b>2,228</b>	<b>177.3827</b>

	Vanguard MSCI Australian Small Companies Index ETF				Vanguard FTSE Europe Shares ETF			
	31 December 2018		31 December 2017		31 December 2018		31 December 2017	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	-	-	-	-	596	15.9338	331	15.4419
Distributions payable								
- 31 December	3,396	0.8469	1,457	57.3724	878	21.5352	647	24.8699
	<b>3,396</b>	<b>0.8469</b>	<b>1,457</b>	<b>57.3724</b>	<b>1,474</b>	<b>37.4690</b>	<b>978</b>	<b>40.3118</b>

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 5 Distributions to unitholders paid and payable (continued)

	Vanguard FTSE Emerging Markets Shares ETF				Vanguard MSCI Index International Shares (Hedged) ETF			
	31 December 2018		31 December 2017		31 December 2018		31 December 2017	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	1,943	55.2008	1,253	55.5631	-	-	-	-
Distributions payable								
- 31 December	1,261	31.9388	667	23.5353	-	-	3,650	63.2913
	3,204	87.1396	1,920	79.0984	-	-	3,650	63.2913

	Vanguard Australian Corporate Fixed Interest Index Fund							
	Wholesale Class units		ETF Class units		31 December 2018		31 December 2017	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	1,021	0.5249	477	0.5262	800	26.7775	313	25.3446
Distributions payable								
- 31 December	1,533	0.8116	722	0.6912	1,203	35.8274	551	33.0864
	2,554	1.3365	1,199	1.2174	2,003	62.6049	864	58.4310

	Vanguard Australian Fixed Interest Index Fund							
	Wholesale Class units		ETF Class units		31 December 2018		31 December 2017	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	27,891	0.6088	28,081	0.6515	3,841	26.4332	4,000	28.9810
Distributions payable								
- 31 December	37,761	0.8195	41,737	0.9607	5,633	35.8983	5,954	42.5302
	65,652	1.4283	69,818	1.6122	9,474	62.3315	9,954	71.5112

	Vanguard Australian Government Bond Index Fund							
	Wholesale Class units		ETF Class units		31 December 2018		31 December 2017	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	1,407	0.4911	1,763	0.5206	705	24.0830	705	25.7579
Distributions payable								
- 31 December	1,777	0.6020	2,468	0.7344	982	29.1369	985	35.4627
	3,184	1.0931	4,231	1.2550	1,687	53.2199	1,690	61.2206

	Vanguard Australian Property Securities Index Fund							
	Wholesale Class units		ETF Class units		31 December 2018		31 December 2017	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	15,382	0.3955	21,620	0.5541	4,204	32.5028	5,442	44.9916
Distributions payable								
- 31 December	74,876	1.9914	10,872	0.2783	19,186	136.8658	2,096	15.5321
	90,258	2.3869	32,492	0.8324	23,390	169.3686	7,538	60.5237

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 5 Distributions to unitholders paid and payable (continued)

Vanguard Australian Shares High Yield Fund								
	Wholesale Class units				ETF Class units			
	31 December 2018		31 December 2017		31 December 2018		31 December 2017	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	21,807	3.4839	19,876	3.2759	24,800	137.2794	19,818	129.8604
Distributions payable								
- 31 December	10,552	1.5694	12,658	2.2133	12,078	62.5171	11,147	66.6263
	<b>32,359</b>	<b>5.0533</b>	<b>32,534</b>	<b>5.4892</b>	<b>36,878</b>	<b>199.7965</b>	<b>30,965</b>	<b>196.4867</b>

Vanguard Australian Shares Index Fund								
	Wholesale Class units				ETF Class units			
	31 December 2018		31 December 2017		31 December 2018		31 December 2017	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	146,378	3.3068	132,672	3.2108	43,474	112.7434	33,184	100.8811
Distributions payable								
- 31 December	94,533	1.9798	82,278	1.9227	30,805	71.0610	23,514	68.0989
	<b>240,911</b>	<b>5.2866</b>	<b>214,950</b>	<b>5.1335</b>	<b>74,279</b>	<b>183.8044</b>	<b>56,698</b>	<b>168.9800</b>

Vanguard Global Aggregate Bond Index Fund (Hedged)								
	Wholesale Class units				ETF Class units			
	31 December 2018		31 December 2017		31 December 2018		31 December 2017	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	11,624	0.3565	16,215	0.7202	98	17.1677	-	-
Distributions payable								
- 31 December	17,253	0.5285	9,654	0.3662	252	30.7819	17	18.5328
	<b>28,877</b>	<b>0.8850</b>	<b>25,869</b>	<b>1.0864</b>	<b>350</b>	<b>47.9496</b>	<b>17</b>	<b>18.5328</b>

Vanguard International Credit Securities Index Fund (Hedged)								
	Wholesale Class units				ETF Class units			
	31 December 2018		31 December 2017		31 December 2018		31 December 2017	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	2,777	0.5296	13,279	2.2337	460	21.6145	3,297	130.6183
Distributions payable								
- 31 December	4,453	0.7588	5,274	0.9341	394	21.8752	916	39.5875
	<b>7,230</b>	<b>1.2884</b>	<b>18,553</b>	<b>3.1678</b>	<b>854</b>	<b>43.4897</b>	<b>4,213</b>	<b>170.2058</b>

Vanguard International Fixed Interest Index Fund (Hedged)								
	Wholesale Class units				ETF Class units			
	31 December 2018		31 December 2017		31 December 2018		31 December 2017	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	4,670	0.3868	27,413	1.9976	700	15.4532	3,440	110.9713
Distributions payable								
- 31 December	22,323	1.7712	8,464	0.6450	3,544	72.0444	844	25.3602
	<b>26,993</b>	<b>2.1580</b>	<b>35,877</b>	<b>2.6426</b>	<b>4,244</b>	<b>87.4976</b>	<b>4,284</b>	<b>136.3315</b>

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 5 Distributions to unitholders paid and payable (continued)

Vanguard International Shares Index Fund												
Wholesale Class units					ETF Class units				B Class units			
31 December 2018		31 December 2017		31 December 2018		31 December 2017		31 December 2018		31 December 2017		
\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU	
Distributions paid												
- 30 September	78,253	1.3204	48,253	0.7780	5,128	30.3549	2,530	23.7575	1,833	31.0283	1,128	23.1929
Distributions payable												
- 31 December	142,787	2.3553	74,559	1.1935	7,765	39.0286	3,898	30.3604	2,660	39.7719	1,608	29.7043
	221,040	3.6757	122,812	1.9715	12,893	69.3835	6,428	54.1179	4,493	70.8002	2,736	52.8972

Vanguard Global Minimum Volatility Fund							
Wholesale Class units				ETF Class units			
31 December 2018		31 December 2017		31 December 2018		31 December 2017	
\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid							
- 30 September	-	-	373	1.5616	-	-	-
Distributions payable							
- 31 December	-	-	158	0.6300	-	-	-
	-	-	531	2.1916	-	-	-

Vanguard Global Value Equity Fund							
Wholesale Class units				ETF Class units			
31 December 2018		31 December 2017		31 December 2018		31 December 2017	
\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid							
- 30 September	91	0.4188	69	0.4654	42	19.9288	-
Distributions payable							
- 31 December	71	0.3000	227	1.4429	35	13.4943	-
	162	0.7188	296	1.9083	77	33.4231	-

Vanguard International Shares Index Fund (Hedged)							
AUD Class units				NZD Class units			
31 December 2018		31 December 2017		31 December 2018		31 December 2017	
\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid							
- 30 September	-	-	69,578	1.3470	-	-	3,057
Distributions payable							
- 31 December	4,595	0.0848	48,788	0.9197	-	-	-
	4,595	0.0848	118,366	2.2667	-	-	3,057

Vanguard Global Infrastructure Index Fund							
Wholesale Class units				ETF Class units			
31 December 2018		31 December 2017		For the period 23 October 2018 to 31 December 2018		31 December 2017	
\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid							
- 30 September	2,062	0.6876	1,734	0.5974	-	-	-
Distributions payable							
- 31 December	3,633	0.8528	1,754	0.5575	8	14.8812	-
	5,695	1.5404	3,488	1.1549	8	14.8812	-

# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 5 Distributions to unitholders paid and payable (continued)

Vanguard International Small Companies Index Fund											
Wholesale Class units								ETF Class units			
				For the period 13 November 2018 to 31 December 2018				31 December 2017			
		31 December 2018		31 December 2017						31 December 2017	
		\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid											
- 30 September		2,051	0.4514	939	0.2515	-	-	-	-	-	-
Distributions payable											
- 31 December		7,033	1.4508	6,917	1.7858	15	36.5737	-	-	-	-
		9,084	1.9022	7,856	2.0373	15	36.5737	-	-	-	-
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)											
ETF Class units				AUD Hedged Class units				NZD Hedged Class units			
31 December 2018		31 December 2017		31 December 2018		31 December 2017		31 December 2018		31 December 2017	
\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid											
- 30 September		-	-	-	-	-	-	-	313	0.1153	-
Distributions payable											
- 31 December		6	31.4635	-	-	-	-	-	5,556	1.9454	-
		6	31.4635	-	-	-	-	-	5,869	2.0607	-
Vanguard Ethically Conscious International Shares Fund											
ETF Class units				AUD Unhedged Class units				NZD Hedged Class units			
For the period 28 May 2018 to 31 December 2018		31 December 2017		For the period 28 May 2018 to 31 December 2018		31 December 2017		For the period 28 May 2018 to 31 December 2018		31 December 2017	
\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid											
- 30 September		-	-	-	-	-	-	-	62	0.0241	-
Distributions payable											
- 31 December		13	16.5673	-	-	7	0.2596	-	3,472	1.1775	-
		13	16.5673	-	-	7	0.2596	-	3,534	1.2016	-
Vanguard International Shares Select Exclusions Index Fund											
AUD Hedged Class units				AUD Unhedged Class units				NZD Hedged Class units			
31 December 2018		31 December 2017		31 December 2018		31 December 2017		31 December 2018		31 December 2017	
\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid											
- 30 September		-	-	-	-	1,327	0.5795	960	0.4230	-	-
Distributions payable											
- 31 December		1,368	1.5413	75	0.5024	2,541	0.7862	2,098	0.9233	1,061	0.1666
		1,368	1.5413	75	0.5024	3,868	1.3657	3,058	1.3463	1,061	0.1666



# Notes to the financial statements (continued)

For the half-year ended 31 December 2018

## 6 Events occurring after the reporting period

On 22 January 2019, Vanguard Investments Australia made a redemption in Vanguard Global Minimum Volatility Fund and Vanguard Global Value Equity Fund for an amount of \$5M and \$10M respectively. The redemptions do not affect the going concern of these Funds as of 31 December 2018.

Lucy Carr resigned as a Director of Vanguard Investments Australia Ltd on 1 March 2019.

There are no other significant events that have occurred since balance date which would impact on the financial position of the Funds as disclosed in the balance sheet as at 31 December 2018 or on the results and cash flows of the Funds for the half-year ended on that date.

## 7 Contingent assets, contingent liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 31 December 2018 (2017: Nil).

## Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 11 to 55 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the Funds' financial position as at 31 December 2018 and of their performance, as represented by the results of their operations for the financial half-year ended on that date.
- (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.

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



J Platt  
Director  
Melbourne  
5 March 2019



## Independent auditor's review report

To the unitholders of:

- Vanguard FTSE Asia ex Japan Shares Index ETF\*
- Vanguard Australian Corporate Fixed Interest Index Fund\*
- Vanguard Australian Fixed Interest Index Fund\*
- Vanguard Australian Government Bond Index Fund\*
- Vanguard MSCI Australian Large Companies Index ETF\*
- Vanguard Australian Property Securities Index Fund\*
- Vanguard Australian Shares High Yield Fund\*
- Vanguard Australian Shares Index Fund\*
- Vanguard MSCI Australian Small Companies Index ETF\*
- Vanguard FTSE Europe Shares ETF\*
- Vanguard Global Aggregate Bond Index Fund (Hedged)\*
- Vanguard FTSE Emerging Markets Shares ETF\*
- Vanguard MSCI Index International Shares (Hedged) ETF\*
- Vanguard International Credit Securities Index Fund (Hedged)\*
- Vanguard International Fixed Interest Index Fund (Hedged)\*
- Vanguard International Shares Index Fund\*
- Vanguard Global Minimum Volatility Fund\*
- Vanguard Global Value Equity Fund\*
- Vanguard International Shares Index Fund (Hedged)
- Vanguard Global Infrastructure Fund\*
- Vanguard International Small Companies Index Fund\*
- Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)\*
- Vanguard Ethically Conscious International Shares Fund\*
- Vanguard International Shares Select Exclusions Index Fund

referred to collectively as Vanguard Multi-class Funds & Standalone ETFs

\* denotes listed Funds

### ***Report on the Half-Year Financial Report***

We have reviewed the accompanying half-year financial report of Vanguard Multi-class Funds & Standalone ETFs (the Funds), which comprises the balance sheets as at 31 December 2018, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the reporting period ended on that date, selected other explanatory notes and the directors' declaration.



Other than for the following fund the reporting period is the half year from 1 July 2018 to 31 December 2018. The reporting period for the following fund is from the date of registration to 31 December 2018.

Fund	Date of registration
Vanguard Ethically Conscious International Shares Fund	28 May 2018

### *Directors' responsibility for the half-year financial report*

The directors of the Responsible Entity of the Funds are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement whether due to fraud or error.

### *Auditor's responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Funds' financial positions as at 31 December 2018 and their performance for the reporting period ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Funds, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Independence*

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



### *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Funds is not in accordance with the *Corporations Act 2001* including:

1. giving a true and fair view of the Funds' financial positions as at 31 December 2018 and of their performance for the half-year ended on that date;
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

*PricewaterhouseCoopers*

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'Britt Hawkins', followed by a long horizontal line.

Britt Hawkins  
Partner

Melbourne  
5 March 2019





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