

**Leverage Shares Plc**

**Directors' report and audited financial statements**

**For the financial year ended 30 June 2021**

**Registered number 597399**

# Leverage Shares Plc

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## Directors and other information

<b>Directors</b>	Neil Fleming ( <i>Irish</i> ) ( <i>Independent and Non-Executive</i> ) Lisa Hand ( <i>Irish</i> ) ( <i>Non-Executive</i> )	
<b>Registered Office</b>	2nd floor, Block 5 Irish Life Centre Abbey Street Lower Dublin 1 Ireland	
<b>Company Secretary and Administrator</b>	Apex IFS Limited 2nd Floor, Block 5 Irish Life Centre Abbey Street Lower Dublin 1 Ireland	
<b>Arranger</b>	Leverage Shares Management Company Limited 116 Mount Prospect Avenue Clontarf Dublin 3 Ireland	
<b>Portfolio Administrator</b>	GWM Limited 41 Cedar Avenue 5th Floor, Hamilton HM12 Bermuda	Interactive Brokers (UK) Limited Level 20 Heron Tower 110 Bishopsgate London EC2N 4AY United Kingdom
<b>CREST Settlement Agent and CREST Sponsor</b>	Link Market Services Trustees Limited The Registry, 34 Beckenham Road Beckenham Kent BR3 4TU United Kingdom	
<b>Custodian &amp; Margin Account Provider</b>	Interactive Brokers LLC One Pickwick Plaza Greenwich CT 0683082 United States of America	
<b>Authorised Participants</b>	BNP Paribas Arbitrage S.N.C. 160-162 Boulevard Macdonald 75019 Paris France	GWM Limited 41 Cedar Avenue 5th Floor, Hamilton HM12 Bermuda
<b>Registrar</b>	<i>(As from 18 December 2020)</i> Elavon Financial Services DAC 8, Cherrywood Business Park Loughlinstown Dublin Ireland	<i>(Up to 18 December 2020)</i> Link Registrars Limited 2 Grand Canal Square Grand Canal Harbour Dublin 2 Ireland
<b>Independent Auditor</b>	<i>As from 30 June 2021</i> BDO 2nd Floor, Beaux Lane House Mercer Street Lower Dublin 2 Ireland	<i>Up to 11 June 2021</i> Ernst & Young Ernst & Young Building Harcourt Centre Harcourt Street Dublin 2 Ireland
<b>Determination Agent</b>	Calculation Agent Services LLC 34E Putnam Avenue Greenwich CT 06830 United States of America	

## Directors and other information (continued)

<b>Solicitor</b>	Matheson 70 Sir John Rogerson's Quay Dublin 2 Ireland		
<b>Issuing &amp; Paying Agent</b>	<i>(As from 18 December 2020)</i> Elavon Financial Services DAC 8, Cherrywood Business Park Loughlinstown Dublin Ireland	<i>(As from 27 November 2020 to 18 December 2020)</i> GWM Limited 41 Cedar Avenue 5th Floor, Hamilton HM12 Bermuda	<i>(Up to 27 November 2020)</i> Link ASI Limited 2 Grand Canal Square Grand Canal Harbour Dublin 2 Ireland
<b>Trustee</b>	Apex Corporate Trustees (UK) Limited 6th Floor 125 Wood Street London		

**Directors' report**

The directors ("the Directors") present their annual report and audited financial statements of Leverage Shares Plc (the "Company") for the financial year ended 30 June 2021.

**Principal activities and business review**

The Company is a limited liability company, incorporated in Ireland on 27 January 2017, under Irish Company law with registered number 597399. The Company is an orphan vehicle, with the shares held for the benefit of a charitable trust (see note 15). The Company is registered in Ireland as a Section 110 vehicle. The Company has been established as a special purpose vehicle (the "SPV") for the purpose of issuing exchange traded securities. The Company commenced trading on 8 December 2017.

The Company established a collateralised exchange traded product programme (the "Programme") under which the Company issues, on an ongoing basis, collateralised exchange traded products (the "ETPs") of different series (each a "Series") or tranches (each a "Tranche") linked to underlying equity securities each providing leveraged long or short exposure to specified equity securities (each individually a "Component Security", collectively the "Component Securities"). The aggregate number of ETPs issued under the Programme will not at any time exceed USD 1,000,000,000.

Each Series constitutes limited recourse obligations of the Company, secured on and payable solely from the Component Securities constituting the ETP in respect of such Series. Each Series of ETPs may comprise one or more Tranches. The ETPs have been listed for trading on the London Stock Exchange, Cboe Europe, Euronext Amsterdam and Euronext Paris.

Each ETP provides leveraged or short exposure to a single Component Security. Each Series is assigned a leverage factor in the relevant final terms. The proceeds of the issuance of each Series or Tranche will be deposited with Interactive Brokers LLC (the "Custodian" and the "Margin Account Provider"). For leveraged Series the Margin Account Provider provides funding so as to enable an amount equal to the proceeds of the issuance of the relevant Series multiplied by the applicable leverage factor will be invested in the Component Security of the relevant Series. For each Series providing long exposure the Company has physical ownership of the Component Securities. For Series providing short exposure the Issuer will short sell the Component Securities which it will borrow from the Margin Account Provider with the proceeds from the issuance acting as collateral.

The ETPs do not bear interest at a prescribed rate. The return (if any) on the ETPs is calculated in accordance with the redemption provisions set out in the base prospectus of the Company.

During the financial year ended 30 June 2021, the Company did not redeem in full or cancel any Series (2020: redeemed no Series) and issued 63 Series of ETPs (2020: issued 28 Series of ETPs). As at 30 June 2021, the Company had 103 Series in issue (2020: 40 Series). Refer to note 11 for further details.

General information regarding the Company is further described in note 1 to the financial statements.

Three ETP Securities are listed on Euronext Amsterdam while two ETP Securities are listed on Euronext Paris. The remaining ETP Securities are listed on London Stock Exchange, out of which two of the ETP Securities are also listed in Cboe Europe.

**Key performance indicators**

During the financial year:

- the Company made a loss before tax of USD Nil (2020: USD Nil) and loss after tax of USD 8,546 (2020: USD Nil);
- the Company's realised gains on financial assets at fair value through profit or loss amounted to USD 13,134,817 (2020: USD 2,331,027);
- the Company's unrealised gains on financial assets at fair value through profit or loss amounted to USD 6,408,490 (2020: USD 2,530,027);
- the Company's realised losses on financial liabilities at fair value through profit or loss amounted to USD 13,134,817 (2020: USD 2,331,027);
- the Company's unrealised losses on financial liabilities at fair value through profit or loss amounted to USD 5,674,537 (2020: USD 2,378,936);
- dividend income from Component Securities amounted to USD 165,711 (2020: USD 84,905);
- there were subscriptions in the existing Series of ETP Securities as disclosed in note 11 to the financial statements;
- there were partial redemptions of the existing Series of ETP Securities as disclosed in note 11 to the financial statements;
- no Series were fully redeemed (2020: Nil); and
- the Company issued 63 new Series of ETP Securities.

As at 30 June 2021:

- the total fair value of the ETP Securities in issue was USD 62,330,540 (2020: USD 16,550,374) as disclosed in note 11 to the financial statements;
- the net assets of the Company were USD 18,819 (2020: USD 27,365); and
- The Series of ETPs in issue at 30 June 2021 and 30 June 2020 related to the following industries:

	<b>Financial year ended 30 June 2021</b>	<b>Financial year ended 30 June 2020</b>
	<b>Number of ETPs issued</b>	<b>Number of ETPs issued</b>
Communication Services	25	11
Consumer Discretionary	23	7
Energy	4	-
Financials	11	3
Industrials	8	2
Information Technology	32	17
	<u>103</u>	<u>40</u>

## Directors' report (continued)

### Future developments

The Company has plans to grow its range of ETPs over the course of 2021/ 2022 and is actively working on increasing its market penetration across its full range of products. The Company also continues to expand the exchanges that its products are listed on with the new LS KRONOSx ETP listed on Euronext Dublin.

### Going concern

The Directors believe the Company is a going concern. The nature of the Company's business dictates that the outstanding ETPs may be redeemed at any time by any authorised participant who has entered into an authorised participant agreement with the Company. As the redemption of ETPs will coincide with the sale of an equal amount of the Component Security, no liquidity risk is considered to arise. The Company has entered into its primary service contracts with service providers on a non-recourse and non-petition basis and these costs are being met by Leverage Shares Management Company Limited (as Arranger) and in return the Arranger receives the arrangement fees earned on the Series. Therefore, the Directors consider the Company to be a going concern and have prepared the financial statements on this basis.

### Principal risks and uncertainties

#### *Impact of COVID-19 and Brexit*

The Directors have noted that COVID-19 has not had a significant impact on the Company to date with assets under management growing. Overall market activity in equities, particularly from new retail investors, has grown during the period. Arising from Brexit, the Company is now also required to submit certain documents to the United Kingdom's Financial Conduct Authority, including obtaining approval for amendments to its prospectus. The Company will continue to monitor these events to determine if any additional risks evolve.

The key risks to the business relate to the use of financial instruments. A summary of these risks, including Operational Risk, is set out in note 17 to the financial statements.

### Market overview

The following aspects of the underlying market may affect the market price of the ETP Securities among other factors:

- the value and volatility of the Index referenced by such Series of ETP Securities and the Component Securities underlying that Index;
- the nature and value of any Component Securities relating to such Series of ETP Securities;
- market perception, interest rates, yields and foreign exchange rates; and
- whether or not any market disruption is subsisting.

Since the big dip in February 2020 due to the effect of COVID 19 virus on the global economy, the equity markets have been getting more stable from Q3 2020 till date. A brief dip occurred in Q1 2021 due to fears of the leading tech stocks being overweight while another one occurred due to ongoing tech crackdown in China. However markets recovered rapidly in both cases. The S&P500 and the Nasdaq-100 ended up at \$4,297.5 and \$14,554.8 respectively as of 30 June 2021, which translates to a performance of 38.6% and 43.3% as of 30 June 2020.

### Results and dividends for the financial year

The results for the financial period are set out on page 14. The Directors do not recommend the payment of a dividend for the financial period (30 June 2020: USD Nil).

### Significant events

As a result of Brexit, the Company's exchange traded securities programme has migrated from settlement via CREST to settlement via ICSD on 18 December 2020. In connection with the migration, an updated base prospectus was prepared.

There were no other significant events occurring during the financial year ended 30 June 2021.

### Directors, Secretary and their Interests

None of the Directors who held office from 1 July 2020 to 30 June 2021 held any shares or ETP Securities in the Company at that date, or during the financial year. There were no contracts of any significance in relation to the business of the Company in which the Directors had any interest, as defined in Section 309 of the Companies Act 2014, at any time during the financial year. Further information is set out in note 16 to the financial statements.

### Shares and shareholders

The authorised share capital of the Company is EUR 25,000 which has been fully issued and paid. All the issued shares are held by Monument Trustees Limited. All shares are held in trust for charity under the terms of declaration of trust. Further information is set out in note 14 and note 15 to the financial statements.

## Directors' report (continued)

### Corporate Governance Statement

#### *Introduction*

The Company is subject to and complies with the Irish statute comprising the Companies Act 2014 and the listing rules of the London Stock Exchange, Euronext Amsterdam and Euronext Paris which are applicable to companies listing instruments like the ETPs.

No Director has a significant direct or indirect holding of securities in the Company. No Director has any special rights of control over the Company's share capital.

There are no restrictions on voting rights of shareholders.

#### *Appointment and replacement of Directors and Amendments in the Constitution*

Regarding the appointment and replacement of Directors, the Company is governed by its constitution and Irish Statute comprising the Companies Act 2014. The constitution may be amended by special resolution of the shareholders.

#### *Powers of Directors*

The Board of Directors (the "Board") is responsible for managing the business affairs of the Company in accordance with the constitution. The Directors may delegate certain functions to the issuing & paying agent (the "IPA") and other parties, subject to the supervision and direction of the Directors. The Directors have delegated the day to day administration of the Company to Apex IFS Limited (the "Administrator").

#### *Financial Reporting Process*

The Board is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has established processes regarding internal control and risk management systems to ensure its effective oversight of the financial reporting process. These include appointing the Administrator to maintain the accounting records of the Company. The Administrator is contractually obliged to maintain proper books and records as required by the Corporate Services agreement. The Administrator is also contractually obliged to prepare, for review and approval by the Board, the annual report including financial statements intended to give a true and fair view.

The Board evaluates and discusses significant accounting and reporting issues as the need arises. From time to time the Board may examine and evaluate the Administrator financial accounting and reporting routines and monitors and evaluates the external auditors' performance, qualifications and independence. The Administrator has operating responsibility for internal control in relation to the financial reporting process and reports to the Board.

#### *Risk Assessment*

The Board in appointing various service providers has given consideration to their experience and their processes to: assess the risk of irregularities, whether caused by fraud or error in financial reporting; ensure that processes are in place for the timely identification of internal and external matters with a potential effect on financial reporting; identify changes in accounting rules and recommendations; and to ensure that these changes are accurately reflected in the Company's financial statements.

#### *Control Activities*

The Administrator is contractually obliged to design and maintain control structures to manage the risks which the Board judges to be significant for internal control over financial reporting. These control structures include appropriate division of responsibilities and specific control activities aimed at detecting or preventing the risk of significant deficiencies in financial reporting for every significant account in the financial statements and the related ETPs in the Company's financial statements.

#### *Transfer of shares*

The Company has issued ordinary shares and any transfer of these must be in accordance with the trust deed and any trustee restrictions. The instrument of transfer of any share shall be executed by or on behalf of the transferor and, in cases where the share is not fully paid, by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered on the register in respect thereof. The Directors in their absolute discretion and without assigning any reason therefore may decline to register any transfer of a share. If the Directors refuse to register a transfer they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

### Accounting records

The Directors believe that they have complied with requirements of Section 281 to 285 of the Companies Act 2014 with regards to keeping adequate accounting records by contracting with the Administrator who has appropriate experience and expertise. The accounting records of the Company are maintained at 2nd Floor, Block 5, Irish Life Centre, Lower Abbey Street, Dublin 1, Ireland.

### Political donations

The Electoral Act, 1997 (as amended by the Electoral Amendment Political Funding Act, 2012) requires Companies to disclose all political donations over EUR 200 in aggregate made during a financial year. The Directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the Company during the financial year ended 30 June 2021 (2020: EUR Nil).

### Subsequent events

Subsequent events are disclosed in note 18 of the financial statements.

## Directors' report (continued)

### Research and development costs

The Company did not incur any research and development costs during the financial year (2020: USD Nil).

### Audit committee

The sole business of the Company relates to the issuance of ETPs. Given the functions performed by the IPA and the limited recourse nature of the securities issued by the Company, the Directors has concluded that there is currently no need for the Company to have a separate audit committee in order for the Board to perform effective monitoring and oversight of the internal controls and risk management systems of the Company in relation to the financial reporting process. Accordingly the Company has availed itself of the exemption under Section 1551 of the Companies Act 2014.

### Independent Auditor

BDO, Registered Auditors, have been appointed by the Directors as auditors on 30 June 2021. In accordance with Section 383(2) of the Companies Act, 2014, BDO have expressed their willingness to continue in office.

### Statement on relevant audit information

The Directors believe that they have taken all the steps necessary to make themselves aware of any relevant audit information and have established that the Company's statutory auditor is aware of that information. In so far as they are aware, there is no relevant audit information of which the company's statutory auditor is unaware.

### Directors' compliance statement

The Directors confirm that:

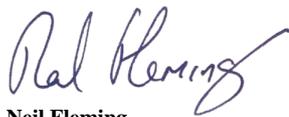
- they acknowledge that they are responsible for securing the company's compliance with its relevant obligations and have, to the best of their knowledge, complied with its relevant obligations as defined in section 225 of the Companies Act 2014;
- they have drawn up a compliance policy statement setting out the Company's policies (that, in the Directors' opinion, are appropriate to the Company) respecting compliance by the Company with its relevant obligations;
- relevant arrangements and structures have been put in place that provide a reasonable assurance of compliance in all material respects by the Company with its relevant obligations, which arrangements and structures may, if the Directors so decide, include reliance on the advice of one or more than one person employed by the Company or retained by it under a contract for services, being a person who appears to the Directors to have the requisite knowledge and experience to advise the Company on compliance with its relevant obligations; and
- the arrangements and structures in place are reviewed on an annual basis.

### Responsibility statement in accordance with the transparency regulation

Each of the Directors confirm to the best of their knowledge:

- the financial statements, prepared in accordance with IFRS as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the management report, which is incorporated into the Directors' report, includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

**Approved and authorised for issue on behalf of the Board:**



**Neil Fleming**  
Director



**Lisa Hand**  
Director

**Date: 02 November 2021**

## Directors' responsibilities statement

The Directors are responsible for preparing the Directors' Report and financial statements, in accordance with applicable law and regulations.

Irish Company law requires the Directors to prepare financial statements giving a true and fair view of the state of affairs of the Company and the profit or loss of the Company for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position, of the Company as at the financial year and of the profit or loss of the company for the financial year, and otherwise comply with the Companies Act 2014.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS and ensure that they contain the additional information required by the Companies Act 2014; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

### Approved and authorised for issue on behalf of the Board:



**Neil Fleming**  
Director



**Lisa Hand**  
Director

**Date: 02 November 2021**

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEVERAGE SHARES PLC

### Report on the audit of the financial statements

#### *Opinion*

We have audited the financial statements of Leverage Shares PLC (the "Company") for the financial year ended 30 June 2021, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows, and notes to the financial statements, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 30 June 2021 and of its result for the financial year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

#### *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)') and applicable law. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority ('IAASA'), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

#### *Key audit matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**BDO Limerick**  
103/104 O'Connell Street,  
Limerick

**BDO Cork**  
Unit 3, Euro House,  
Castleview Little Island,  
Cork

Michael Costello (Managing Partner)  
Andrew Bourg  
Katharine Byrne  
Peter Carroll  
Kevin Doyle  
Stewart Dunne  
Ivor Feerick

Angela Fleming  
Brian Gartlan  
David Giles  
Derry Gray  
Sinéad Heaney  
Diarmuid Hendrick  
Derek Henry

Denis Herlihy  
Liam Hession  
Brian Hughes  
Ken Kilmartin  
Carol Lynch  
Stephen McCallion  
David McCormick

Brian McEnery  
Aidan McHugh  
Ciarán Medlar  
Teresa Morahan  
Paul Nestor  
John O'Callaghan  
David O'Connor

David N O'Connor  
Stephen O'Flaherty  
Rory O'Keeffe  
Mark O'Sullivan  
Patrick Sheehan  
Gavin Smyth  
Noel Taylor

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEVERAGE SHARES PLC (continued)

### Key Audit Matter - Existence and Valuation of Financial Assets and Financial Liabilities

#### Key Audit Matter

The existence and valuation of financial assets and financial liabilities at fair value through profit or loss is considered to be a key audit matter due to the pervasive nature of these balances to the financial statements as a whole.

#### Related Disclosures

Refer to:

- Note 2(c) - Use of estimates and judgements
- Note 3(i) - Financial instruments
- Note 8 - Financial assets at fair value through profit or loss
- Note 11 - Financial liabilities at fair value through profit or loss
- Note 17 - Financial risk management

of the accompanying financial statements.

#### Audit Response

We critically evaluated and challenged management's assessment as to the valuation of the financial assets and financial liabilities.

We tested the valuations of these investments by comparing to publicly quoted prices and third-party market data, where applicable.

We obtained third party confirmation of the financial assets and financial liabilities held at the year end.

#### *Our application of materiality*

We define materiality as the magnitude of misstatement, including omissions, in the financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of a reasonably knowledgeable person taken on the basis of the financial statements. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

- For the purpose of our audit we used materiality of \$1.25m, which represents approximately 2% of the Company's fair value of the ETP Securities issued.
- We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the Financial Statements as a whole.
- We chose the fair value of the ETP Securities as the benchmark because of the Company's structure. We selected 2% based on our professional judgement, noting that it is also within the range of commonly accepted related benchmarks.

We agreed that we would report to the board any audit differences in excess of 5% of the materiality, as well as differences below that threshold that, in our review, warranted reporting on qualitative grounds. We also report to the board on disclosure matters that we identified in assessing the overall presentation of the financial statements.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEVERAGE SHARES PLC (continued)

### *An overview of the scope of our audit*

A description of the scope of an audit of financial statements is provided on the IAASA website at [http://www.iaasa.ie/getmedia/b23890131cf6458b9b8fa98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](http://www.iaasa.ie/getmedia/b23890131cf6458b9b8fa98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

Our audit approach was developed by obtaining an understanding of the Company's activities, the key functions undertaken on behalf of the Board and Administrator and the overall control environment. Based on this understanding we assessed those aspects of the Company's financial statements which were most likely to give rise to a material misstatement. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

### *Conclusions relating to going concern*

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting in the preparation of the financial statements included:

- We considered as part of our risk assessment the nature of the company, its business model and related risks; and
- We have reviewed the directors' assessment of the Company's ability to continue as a going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### *Other information*

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEVERAGE SHARES PLC (continued)

### *Opinions on other matters prescribed by the Companies Act 2014*

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion, the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the Company financial statements are in agreement with the accounting records.

### *Matters on which we are required to report by exception*

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made.

We have nothing to report in this regard.

### *Corporate governance statement*

In our opinion, based on the work undertaken in the course of our audit of the financial statements, the description of the internal control and risk management systems in relation to the financial reporting process included in the Corporate Governance Statement, is consistent with the financial statements and has been prepared in accordance with 1373(2)(c) of the Companies Act 2014.

Based on our knowledge and understanding of the Company and its environment obtained during the course of our audit of the financial statements, we have not identified material misstatements in the description of the main features of the internal control and risk management systems in relation to the financial reporting process included in the Corporate Governance Statement.

### *Respective responsibilities*

#### *Responsibilities of directors for the financial statements*

As explained more fully in the directors' responsibilities statement set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEVERAGE SHARES PLC (continued)

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### *Auditor's responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

This description forms part of our auditor's report.

### *The purpose of our audit work and to whom we owe our responsibilities*

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### *Other matters which we are required to address*

We were appointed by the Board of Directors on 30 June 2021 to audit the financial statements for the year ending 30 June 2021 and subsequent financial periods. The period of total uninterrupted engagement is therefore one year, covering the year ending 30 June 2021.

The non-audit services prohibited by IAASA's Ethical Standard were not provided to the Company. We did provide corporation tax compliance services to the Company which, by derogation, are permitted by IAASA's Ethical Standard. We remained independent of the Company in conducting our audit.

Our audit opinion is consistent with the additional report to the Board of Directors we are required to provide in accordance with ISA (Ireland) 260.

  
\_\_\_\_\_  
**Brian Hughes**  
For and on behalf of BDO  
Dublin  
Statutory Audit Firm  
AI223876

2 November 2021

\_\_\_\_\_  
Date

**Statement of comprehensive income**

For the financial year ended 30 June 2021

	Note	Financial year ended 30-Jun-21 USD	Financial year ended 30-Jun-20 USD
Revenue	4	165,711	84,905
Realised gains on financial assets at fair value through profit or loss		13,134,817	2,331,027
Unrealised gains on financial assets at fair value through profit or loss		6,408,490	2,530,027
Realised losses on financial liabilities at fair value through profit or loss		(13,134,817)	(2,331,027)
Unrealised losses on financial liabilities at fair value through profit or loss		(5,674,537)	(2,378,936)
Operating expenses	6	(289,964)	(61,907)
Finance expense	5	(609,700)	(174,089)
<b>Operating profit before tax</b>		<u>-</u>	<u>-</u>
Tax on profit on ordinary activities	7	(8,546)	-
<b>Total comprehensive loss</b>		<u><u>(8,546)</u></u>	<u><u>-</u></u>

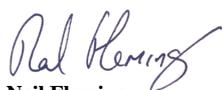
All of the items dealt with in arriving at the profit for the financial year are from continuing operations, no income is recognised in other comprehensive income.

## Statement of financial position

As at 30 June 2021

	Note	30-Jun-21 USD	30-Jun-20 USD
<b>Assets</b>			
Financial assets at fair value through profit or loss	8	123,270,695	28,798,446
Amounts due from broker	10	15,974,407	6,160,974
Other receivables	9	297,929	154,008
<b>Total assets</b>		<u>139,543,031</u>	<u>35,113,428</u>
<b>Liabilities</b>			
Financial liabilities at fair value through profit or loss	11	70,468,597	19,180,104
Amounts due to broker	10	67,884,952	14,869,475
Other payables	12	944,955	43,433
Payable to GWM Limited	13	225,708	993,051
<b>Total liabilities</b>		<u>139,524,212</u>	<u>35,086,063</u>
<b>Total assets less total liabilities</b>		<u><b>18,819</b></u>	<u><b>27,365</b></u>
<b>Share capital and retained earnings</b>			
Called up share capital presented as equity	14	26,703	26,703
(Deficit)/Retained earnings		(7,884)	662
<b>Total shareholders' funds</b>		<u><b>18,819</b></u>	<u><b>27,365</b></u>

The financial statements were approved by the Board of Directors and signed on its behalf by:



**Neil Fleming**  
Director



**Lisa Hand**  
Director

**Date: 02 November 2021**

**Statement of changes in equity**  
**For the financial year ended 30 June 2021**

	<b>Share capital</b>	<b>(Deficit)/ Retained earnings</b>	<b>Total equity</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>
Balance as at 1 July 2019	26,703	662	27,365
Total comprehensive income for the financial year	-	-	-
<b>Balance as at 30 June 2020</b>	<b>26,703</b>	<b>662</b>	<b>27,365</b>
Balance as at 1 July 2020	26,703	662	27,365
Total comprehensive loss for the financial year	-	(8,546)	(8,546)
<b>Balance as at 30 June 2021</b>	<b>26,703</b>	<b>(7,884)</b>	<b>18,819</b>

**Statement of cash flows**

For the financial year ended 30 June 2021

	Note	Financial year ended 30-Jun-21 USD	Financial year ended 30-Jun-20 USD
<b>Cash flows from operating activities</b>			
Loss on ordinary activities before taxation		(8,546)	-
<i>Adjustments for:</i>			
Movement in unrealised fair value movement - Financial Assets		(6,408,490)	(2,530,027)
Movement in unrealised fair value movement - Financial Liabilities		5,674,537	2,378,936
<i>Movements in working capital</i>			
Net cash outflow on component securities		(71,274,906)	(9,937,890)
Increase in other receivables		(143,921)	(125,558)
Increase in other payables		134,179	828,138
Change in amounts due from broker		43,202,044	3,189,480
<b>Net cash used in operating activities</b>		<u>(28,825,103)</u>	<u>(6,196,921)</u>
<b>Cash flows from financing activities</b>			
ETP Securities issuances during the financial year		72,146,832	9,924,950
ETP Securities redemptions during the financial year		(43,321,729)	(3,763,985)
<b>Net cash generated from financing activities</b>		<u>28,825,103</u>	<u>6,160,965</u>
<b>Decrease in cash and cash equivalents</b>		-	(35,956)
Cash and cash equivalents at start of the financial year		-	35,956
<b>Cash and cash equivalents at end of the financial year</b>		<u>-</u>	<u>-</u>
<b>Supplementary information</b>			
Dividends received		150,854	82,384
Interest paid		521,207	316,388
Tax paid		4,406	-
Interest received		7,815	-

**Notes to the financial statements**

For the financial year ended 30 June 2021

**1 General information**

The Company is a limited liability company, incorporated in Ireland on 27 January 2017, under Irish Company law with registered number 597399. The Company is an orphan vehicle, with the shares held for the benefit of a charitable trust (see note 15). The Company is registered in Ireland as a Section 110 vehicle. The Company has been established as an SPV for the purpose of issuing exchange traded securities. The Company commenced trading on 8 December 2017.

The Company established a collateralised Programme under which the Company issues, on an ongoing basis, collateralised ETPs of different Series or Tranche linked to underlying equity securities each providing leveraged long or short exposure to specified Component Securities. The aggregate number of ETPs issued under the Programme will not at any time exceed USD 1,000,000,000.

Each Series constitutes limited recourse obligations of the Company, secured on and payable solely from the Component Securities (including cash held as collateral) constituting the ETP in respect of such Series. Each Series of ETPs may comprise one or more Tranches. The ETPs have been listed for trading on the London Stock Exchange, Cboe Europe, Euronext Amsterdam and Euronext Paris.

Each ETP provides leveraged or short exposure to a single Component Security. Each Series is assigned a leverage factor in the relevant final terms. The proceeds of the issuance of each Series or Tranche will be deposited with the Custodian and the Margin Account Provider. For leveraged Series the Margin Account Provider will procure that an amount equal to the proceeds of the issuance of the relevant Series multiplied by the applicable leverage factor will be invested in the Component Security of the relevant Series. For each Series providing long exposure the Company has physical ownership of the Component Securities. For Series providing short exposure the Issuer will short sell the Component Securities which it will borrow from the Margin Account Provider with the proceeds from the issuance acting as collateral.

The ETPs do not bear interest at a prescribed rate. The return (if any) on the ETPs is calculated in accordance with the redemption provisions set out in the base prospectus of the Company.

Three ETP Securities are listed on Euronext Amsterdam while two ETP Securities are listed on Euronext Paris. The remaining ETP Securities are listed on London Stock Exchange, out of which two of the ETP Securities are also listed in Cboe Europe.

**2 Basis of preparation****(a) Statement of compliance**

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and its interpretations as adopted by the EU and in accordance with the Companies Act, 2014.

The financial statements have been prepared on the historical cost basis except financial assets and liabilities held for trading at fair value through profit or loss which are measured at fair value.

The accounting policies set out below have been applied in preparing the financial statements for the financial year ended 30 June 2021 and in the comparative information presented in these financial statements which is for the financial year ended 30 June 2020.

*Going Concern*

The Directors believe the Company is a going concern. The nature of the Company's business dictates that the outstanding ETPs may be redeemed at any time by any authorised participant who has entered into an authorised participant agreement with the Company. As the redemption of ETPs will coincide with the sale of an equal amount of the Component Security, no liquidity risk is considered to arise. The Company has entered into its primary service contracts with service providers on a non-recourse and non-petition basis and these costs are being met by Leverage Shares Management Company Limited (as Arranger) and in return the Arranger receives the arrangement fees earned on the Series. Therefore, the Directors consider the Company to be a going concern and have prepared the financial statements on this basis.

**(b) Functional and presentation currency**

These financial statements are presented in US dollar ("USD") which is the Company's functional currency. The Directors have elected to present the Company's financial statements in USD. Functional currency is the currency of the primary economic environment in which the entity operates. The Directors of the Company believe that USD most faithfully represents the economic effects of the underlying investing and financing activities of the Company.

Transactions in currencies other than USD are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currency are retranslated at the rates prevailing at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary items that are denominated in foreign currencies are recognised in profit or loss in the period. Foreign exchange gains and losses on financial assets and financial liabilities are included in the Statement of comprehensive income.

**(c) Use of estimates and judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

**Notes to the financial statements (continued)**

For the financial year ended 30 June 2021

**2 Basis of preparation (continued)****(c) Use of estimates and judgements (continued)**

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and in future periods affected.

***Critical judgements in applying accounting policies on the valuation of financial instruments***

The following are the critical judgements on the valuation of the financial instruments, apart from those involving estimations, that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements. Refer to note 3(i) to the financial statements.

***Key sources of estimation uncertainty***

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

***Determining the fair value of financial instruments***

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques as described in note 3(i) to the financial statements. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

Fair values of ETPs are calculated using predetermined formula, where prices of underlying equity securities, which track quoted market prices, are used as inputs to the formula alongside the leverage factor, margin account interest expense and arrangement fees (which are all observable and set out in the agreement for each ETP). These prices are compared to prior day prices and any variation results in either an unrealised gain or loss. The use of defined underlying equity securities and formulae reduces estimation uncertainty.

**(d) New standards, amendments or interpretations****(i) Effective for annual periods beginning after 1 July 2020**

A number of new standards and interpretations have been EU endorsed and adopted by the Company:

Description	Effective date
IFRS 10 and IAS 28 amendments: Sale or Contribution of Asset between Investor or its Associate or Joint Venture	1 January 2020
IFRS 3 amendments: Definition of a business	1 January 2020
IAS 1 and IAS 8 amendments: Definition of material	
Amendments to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures (Sep 2019): Interest Rate Benchmark Reform	1 January 2020
Amendments to the References to the Conceptual Framework in IFRS Standards	1 January 2020

The above new standards and the related consequential amendments to other IFRS Standards are effective for all the accounting periods beginning on or after 1 January 2020. The Company has adopted and applied these standards on 1 July 2020. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

**(ii) Standards not yet effective, but available for early adoption**

Description	Effective date*
Amendment to IFRS 16, Covid-19 Related Rent Concessions	1 June 2020
Interest Rate Benchmark Reform — Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	1 January 2021
Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)	1 April 2021

\*Where new requirements are endorsed, the EU effective date is disclosed. For un-endorsed standards and interpretations, the IASB's effective date is noted. The Company will adopt the above standards on the indicated effective date.

The directors have considered the new standards, amendments and interpretations as detailed in the above table and does not plan to adopt these standards early. The application of all of these standards, amendments or interpretations will be considered in detail in advance of a confirmed effective date by the Company but the Directors do not expect them to result in any significant impact on the Company.

**Notes to the financial statements (continued)**

For the financial year ended 30 June 2021

**3 Significant accounting policies****(a) Realised gains on financial assets at fair value through profit or loss**

Realised gains are recognised on disposal of financial assets, when the disposal price is not equal to the initial carrying value of the component securities. Any gains and losses arising from changes in fair value of the financial assets at fair value through profit or loss are recorded in the Statement of comprehensive income. Details of recognition and measurement of financial assets are disclosed in the accounting policy of financial instruments (note 3(i) to the financial statements).

**(b) Realised losses on financial liabilities at fair value through profit or loss**

Realised losses are recognised on redemption of the financial liabilities when the redemption price is not equal to the initial carrying value of the ETP securities and Component securities in short exposure. Any gains and losses arising from changes in fair value of the financial liabilities at fair value through profit or loss are recorded in the Statement of comprehensive income. Details of recognition and measurement of financial liabilities are disclosed in the accounting policy of financial instruments (note 3(i) to the financial statements).

**(c) Unrealised gains on financial assets at fair value through profit loss**

Unrealised gains on financial assets at fair value through profit or loss relates to investments in Component Securities and includes unrealised fair value changes. All unrealised gains/(losses) on financial assets are attributable to market risk arising from price movements on the Component Securities. Any gains and losses arising from changes in fair value of the financial assets at fair value through profit or loss are recorded in the Statement of comprehensive income. Details of recognition and measurement of financial assets are disclosed in the accounting policy of financial instruments (note 3(i) to the financial statements).

**(d) Unrealised losses on financial liabilities at fair value through profit or loss**

Unrealised losses on financial liabilities at fair value through profit or loss relates to issuances of ETP Securities and fair value on short exposure to Component Securities and includes unrealised fair value changes. All unrealised gains and losses on financial liabilities are primarily attributable to market risk arising from price movements on the ETP Securities. Any gains and losses arising from changes in fair value of the financial liabilities at fair value through profit or loss are recorded in the Statement of comprehensive income. Details of recognition and measurement of financial liabilities are disclosed in the accounting policy of financial instruments (note 3(i) to the financial statements).

**(e) Dividend income**

Dividend income is shown gross of any non-reclaimable withholding tax and is recognised on the ex-dividend date of the dividends. The Company receives dividend income on its Component Securities derived from US listed equities.

**(f) Interest expense**

Interest expense is recognised using the effective interest rate method.

**(g) Taxation**

Corporation tax is provided on taxable profits at current rates applicable to the Company's activities in accordance with Section 110 of the Taxes Consolidation Act 1997. Deferred taxation is accounted for, without discounting, in respect of all temporary differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the reporting date.

Provision is made at the tax rates which are expected to apply in the periods in which the temporary differences reverse. Deferred tax assets are recognised only to the extent that it is considered more likely than not that they will be recovered.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that related tax benefit will be realised.

Withholding tax is a generic term used for withholding tax deducted at source from the income. The Company records the withholding tax separately from the gross investment income in the Statement of comprehensive income.

**(h) Operating expenses**

The Company pays an arrangement fee to Leverage Shares Management Company Limited calculated based on a percentage per annum of the ETP Security value (as defined in the base prospectus of the Company) of the ETP Securities. The arrangement fees are accrued daily and are recorded in the Statement of comprehensive income.

In return for the arrangement fee, various operational expenses such as initial portfolio administrator fees, determination agent fees, registrar fees, trustee fees, and listing fees, audit fees, tax fees and legal fees are borne by Leverage Shares Management Company Limited.

**(i) Financial instruments***Classification*

The Company classifies its financial assets and financial liabilities as financial assets and financial liabilities at fair value through profit or loss at initial recognition in accordance with IFRS 9: Financial Instruments.

Financial assets and financial liabilities are measured at fair value through profit or loss if:

- its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding;

**Notes to the financial statements (continued)**

For the financial year ended 30 June 2021

**3 Significant accounting policies (continued)**

- it is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- at initial recognition, it is irrevocably designated as measured at fair value through profit or loss when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Company's Component Securities, as well as the ETPs, are by nature financial assets and financial liabilities at fair value through profit or loss respectively as they are held for trading. All other financial assets and liabilities are classified under amortised cost.

*Recognition*

The Company initially recognises all financial assets and liabilities on the trade date at which the Company becomes a party to the contractual provisions of the instruments.

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

*Initial measurement*

Financial assets and financial liabilities at fair value through profit or loss are recorded in the statement of financial position at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

Financial assets and liabilities (other than those classified as held for trading or designated at fair value) are measured initially at their fair value plus or minus any directly attributable incremental costs of acquisition or issue. For financial assets and liabilities where the fair value at initial recognition does not equal the transaction price, the Company recognises the difference in the Statement of comprehensive income, unless specified otherwise.

*Subsequent measurement*

After initial measurement, the Company measures financial instruments at fair value through profit or loss. Subsequent changes in the fair value of those financial instruments are recorded in unrealised gains or losses on financial assets and financial liabilities at fair value through profit or loss. Interest paid and dividend earned on these instruments are recorded separately in interest expense and dividend income. Other receivables, cash and cash equivalents and other payables are measured at amortised cost.

*Derecognition*

A financial asset is derecognised where the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and either the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement) and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired. Any gains or losses on derecognition of financial instruments are recorded in realised gain/loss on financial assets/liabilities at fair value through profit or loss.

*Offsetting*

Financial assets and liabilities are offset and the net amount presented in the Statement of financial position when, and only when, the Company has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

*Expected credit losses*

Receivables that are stated at amortised cost are reviewed at each reporting date to determine whether there is objective evidence of impairment. If any such indications exist, an expected credit loss is recognised in the Statement of comprehensive income as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective rate.

If in a subsequent period the amount of the expected credit loss recognised on receivables carried at amortised cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the write down is reversed through the Statement of comprehensive income.

Expected credit loss provisions are calculated using a forward-looking expectation of deterioration of credit risk. In line with IFRS 9, the Company's approach to new ECLs reflected a probability-weighted outcome, the time value of money and reasonable and supportable information that was available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

**Notes to the financial statements (continued)**

For the financial year ended 30 June 2021

**3 Significant accounting policies (continued)****(j) Amounts due to/from Broker**

Amounts due to/from broker include margin accounts and payables from Component Securities purchased (in a regular way transaction) that have been contracted for, but not yet delivered, on the reporting date. Margin accounts represent cash borrowings or, in respect of positive balances, cash held in the margin account as collateral for short positions or awaiting investment/redemption. Amounts due to/from Broker are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue. These are carried at amortised cost using the effective interest method less any allowance for impairment.

**(k) Segmental reporting**

The standard on segmental reporting puts emphasis on the “management approach” to reporting on operating segments. An operating segment is a component of the Company that engages in business activities from which it may earn revenue and incur expenses.

The Company is engaged in one segment, being a collateralised ETP Securities Programme under which the Company issues on an ongoing basis ETP Securities of different Series linked to a range of equity securities. All the Company’s ETPs track equities of US and Chinese companies.

The financial results from this segment are equivalent to the financial statements of the Company as a whole.

The following is a geographical analysis of the revenue by the country of the counterparty:

	Financial year ended 30-Jun-21	Financial year ended 30-Jun-20
	USD	USD
United States	162,161	84,905
China	3,550	-
	<u>165,711</u>	<u>84,905</u>

**(l) Other receivables**

Other receivables do not carry any interest and are short-term in nature and have been reviewed for any evidence of expected credit losses. Other receivables are accounted at amortised cost.

**(m) Other payables and payable to GWM Limited**

Other payables are accounted at amortised cost.

**(n) Share capital**

The authorised share capital of the Company is EUR 25,000 divided into 25,000 ordinary shares of EUR 1 each. All of this has been issued and called up. The issued and called-up share capital is presented under equity in the Statement of financial position. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

**4 Revenue**

	Financial year ended 30-Jun-21	Financial year ended 30-Jun-20
	USD	USD
Dividend income*	165,711	82,384
Other income	-	2,521
	<u>165,711</u>	<u>84,905</u>

\*The Company receives dividend income on its Component Securities which comprise internationally listed equities.

**5 Finance expense**

	Financial year ended 30-Jun-21	Financial year ended 30-Jun-20
	USD	USD
Interest expense	609,700	174,089
	<u>609,700</u>	<u>174,089</u>

A daily margin interest rate corresponding to the relevant benchmark rate plus one per cent is charged by the Margin Account Provider to the Company, as it relates to cash borrowing costs resulting from obtaining exposure to the Component Security of such Series.

## Notes to the financial statements (continued)

For the financial year ended 30 June 2021

## 6 Operating expenses

	30-Jun-21	30-Jun-20
	USD	USD
Arrangement fee expense	270,875	59,386
Other expenses	19,089	-
Bank charges	-	2,521
	289,964	61,907

The Company pays an arrangement fee of 0.75% per annum of the value on some of the ETP Securities and 0.15% per annum of the value of the remaining ETP Securities, calculated on a daily basis.

General operational expenses such as issuer & paying agent fees, determination agent fees, registrar fees, trustee fees, listing fees, audit fees, tax fees and legal fees are borne by Leverage Shares Management Company Limited. The following expenses that arose in respect of the Company were included in the costs borne by Leverage Shares Management Company Limited:

	30-Jun-21	30-Jun-20
Auditors' remuneration – Statutory Assurance services	23,426	22,760
Auditors' remuneration – Tax compliance services	2,917	5,690
Directors' remuneration	8,455	8,455

The auditor of the Company earned no other fees from the Company (2020: USD Nil). Prior year audit fee relate to services provided by Ernst and Young.

All the above are only for qualifying services during the financial year and there was no other remuneration earned by the Directors of the Company in respect of services provided to the Company (2020: USD Nil). Leverage Share Management Company Limited covers all director fees in respect of the Company. The Company had no employees during the financial year (2020: none).

## 7 Tax on profit on ordinary activities

	30-Jun-21	30-Jun-20
	USD	USD
Operating profit before tax	-	-
Withholding tax suffered on income	25,800	-
Adjusted taxable profit	25,800	-
Corporation tax for year ended 30 June 2021	(6,450)	-
Under accrual of corporation tax for year ended 30 June 2020	(2,096)	-
	(8,546)	-

Corporation tax has been calculated based on results for the financial year at a rate of 25%.

## 8 Financial assets at fair value through profit or loss

	30-Jun-21	30-Jun-20
	USD	USD
Investment in Component Securities	123,270,695	28,798,446

All unrealised gains/(losses) on assets are attributable to market risk arising from price movements on the Component Securities.

The Company purchases Component Securities in underlying companies. The Company has physical ownership of the Component Securities. The Component Securities are traded regularly on US stock exchanges and the prices listed on the exchange of these securities as at 30 June 2021 represent their fair value.

The Component Securities held by the Company as at 30 June 2021 and 30 June 2020 are as follows:

Component Securities	Code	Fair value		Fair value	
		30-Jun-21	30-Jun-21	30-Jun-20	30-Jun-20
		USD	CCY	CCY	USD
Alphabet Inc	LS GOOG	5,538,967	4,611,625	2,924,759	2,682,468
Amazon.com Inc	LS AMZN	14,297,305	13,587,335	7,608,825	6,292,924
Apple Inc	LS AAPL	7,990,657	7,600,737	2,249,722	1,822,011
Citigroup Inc	LS C	254,912	261,630	231,790	229,561
Facebook Inc	LS FB	2,281,325	1,968,994	1,340,167	1,233,376
Goldman Sachs Group Inc	LS GS	1,073,311	955,958	507,488	510,282
JPMorgan Chase & Co	LS JPM	387,139	357,685	235,714	243,478
Microsoft Corporation	LS MSFT	5,844,397	5,189,595	4,101,337	3,548,481
Visa Inc	LS V	1,711,796	1,609,487	1,700,862	1,631,469
Balance carried forward		39,379,809	36,143,046	20,900,664	18,194,050

## Notes to the financial statements (continued)

For the financial year ended 30 June 2021

## 8 Financial assets at fair value through profit or loss (continued)

The Component Securities held by the Company as at 30 June 2021 and 30 June 2020 are as follows (continued):

Component Securities	Code	Fair value	Cost	Fair value	Cost
		30-Jun-21 USD	30-Jun-21 CCY	30-Jun-20 CCY	30-Jun-20 USD
Balance brought forward (from previous page)		39,379,809	36,143,046	20,900,664	18,194,050
Netflix Inc	LS NFLX	1,038,989	1,053,414	623,860	587,561
Nvidia Corporation	LS NVDA	4,673,384	3,566,841	2,035,937	1,772,264
Salesforce.com Inc	LS CRM	688,841	643,276	158,294	150,179
Tesla Inc	LS TSLA2x	16,416,114	15,740,068	564,741	459,557
Apple Inc	LS AAP3x	7,750,292	7,279,420	323,942	310,301
Advanced Micro Devices	LS AMD2x	1,443,047	1,261,690	393,471	395,040
Amazon.com Inc	LS AMZ3x	3,701,612	3,614,110	336,576	319,484
Alibaba group holding	LS BABA2x	3,288,083	3,201,148	385,456	391,863
Salesforce.com Inc	LS CRM3x	1,201,808	1,136,858	253,083	247,977
Facebook Inc	LS FB3x	2,505,251	2,347,123	295,872	302,774
Alphabet Inc	LS GOO3x	1,761,943	1,638,555	552,722	561,375
Microsoft Corporation	LS MSF3x	4,254,214	3,967,180	442,431	416,070
Micron Technology Inc	LS MU2x	313,406	322,269	435,859	418,395
Netflix Inc	LS NFLX3x	1,457,331	1,392,516	284,855	275,949
Nvidia Corporation	LS NVD3x	5,154,244	4,406,984	249,601	244,165
Twitter Inc	LS TWTR2x	512,635	458,001	286,490	334,342
Uber Technologies Inc	LS UBER2x	142,140	154,519	274,592	319,228
Tesla Inc	LS TSL3x	8,701,519	7,781,105	-	-
Paypal	LS PYP3x	866,279	786,599	-	-
Shopify	LS SHO3x	490,889	457,317	-	-
Boeing	LS BA3x	627,168	630,394	-	-
Zoom	LS ZM3x	371,549	338,063	-	-
Square	LS SQ3x	1,566,903	1,450,726	-	-
HSBC	LS HSC3x	230,771	250,217	-	-
Barclays	LS BCS3x	252,434	269,737	-	-
Royal dutch sell	LS RSH3x	419,433	418,191	-	-
BP	LS BP3Lx	511,438	512,366	-	-
Vodafone	LS VDF3x	452,643	500,675	-	-
Tesla Inc	LS 1TSLx	224,301	200,130	-	-
Amazon.com Inc	LS 1AMZx	213,290	201,190	-	-
Microsoft Corporation	LS 1MSFx	215,907	199,886	-	-
Alphabet Inc	LS 1GOOx	208,025	199,755	-	-
Facebook Inc	LS 1FBx	214,189	199,981	-	-
Apple Inc	LS 1AAPx	215,438	199,952	-	-
Netflix Inc	LS 1NFLx	210,228	200,160	-	-
Shopify	LS 1SHOx	232,296	200,569	-	-
Coinbase	LS 1COIx	112,465	100,040	-	-
AMD	LS AMD3x	1,035,296	896,756	-	-
Twitter	LS TWT3x	1,026,989	889,612	-	-
Alibaba group holding	LS BAB3x	737,035	693,627	-	-
Uber	LS UBR3x	584,098	586,342	-	-
Airbnb	LS ABN3x	639,360	625,487	-	-
Plug power	LS PLU3x	779,600	715,542	-	-
Disney	LS DIS3x	573,010	580,615	-	-
Palantir	LS PLT3x	693,294	665,467	-	-
Roku	LS ROK3x	1,132,970	953,202	-	-
JD	LS JD3x	821,644	749,036	-	-
Peloton	LS PTO3x	778,970	719,433	-	-
Baidu	LS BID3x	734,652	690,446	-	-
Plug power	LS 1PLUx	223,705	199,252	-	-
JD	LS 1JDx	223,468	200,006	-	-
Airbnb	LS 1ABNx	205,208	199,829	-	-
Baidu	LS 1BIDx	214,707	199,907	-	-
Sea	LS 1SEx	198,261	200,055	-	-
Pinduoduo	LS 1PDDx	208,821	200,030	-	-
Nio	LS 1NIOx	228,604	200,086	-	-
Palantir	LS 1PLTx	210,695	199,943	-	-
		123,270,695	113,788,744	28,798,446	25,700,574

## Notes to the financial statements (continued)

For the financial year ended 30 June 2021

9 Other receivables	30-Jun-21	30-Jun-20
	USD	USD
ETP subscription receivable	242,971	102,751
Receivable from arranger	40,101	43,442
Dividend receivable	14,857	-
Interest receivable	-	7,815
	<u>297,929</u>	<u>154,008</u>
10 Amounts due to/from broker	30-Jun-21	30-Jun-20
	USD	USD
<i>Due from broker</i>		
Margin accounts - cash collateral for short positions.	15,733,718	5,255,279
Cash at broker	240,689	905,695
	<u>15,974,407</u>	<u>6,160,974</u>
<i>Due to broker</i>		
Margin accounts - Leveraged ETPs	67,884,952	14,869,475
	<u>67,884,952</u>	<u>14,869,475</u>

The Component Securities are held by the Custodian in margin accounts. Margin accounts represent (i) cash borrowings or, (ii) in respect of positive balances, cash held in the margin account as collateral for short positions. A daily margin interest rate corresponding to the relevant benchmark rate plus one per cent is charged by the Margin Account Provider to the Company due to cash borrowing costs resulting from obtaining exposure to the Component Security of the relevant index of such Series.

The following table shows the breakdown of amounts due to Custodian/Broker on margin accounts as at 30 June 2021:

Component Securities	Leverage	Cash borrowings for short positions USD	Cash collateral for short positions USD
Alphabet	2	2,766,845	-
Amazon	2	7,144,448	-
Apple	2	3,992,747	-
Citigroup	2	127,335	-
Facebook	2	1,139,692	-
Goldman Sachs	2	536,197	-
JPMorgan	2	193,581	-
Microsoft	2	2,920,238	-
Visa	2	1,097,767	-
Netflix	2	519,119	-
NVIDIA	2	2,335,918	-
Salesforce.com	2	344,091	-
Tesla	2	7,916,686	-
Apple	3	5,158,406	-
Advanced Micro Devices	2	720,152	-
Amazon	3	2,462,771	-
Alibaba	2	1,640,351	-
Salesforce.com	3	799,747	-
Facebook	3	1,667,550	-
Alphabet	3	1,172,718	-
Microsoft	3	2,831,688	-
Micron Technology	2	156,373	-
Netflix	3	970,182	-
NVIDIA	3	2,929,011	-
Twitter	2	255,664	-
UBER	2	70,908	-
Tesla	3	5,793,203	-
Paypal	3	576,674	-
Shopify	3	326,559	-
Boeing	3	417,524	-
Zoom	3	247,155	-
Square	3	1,042,908	-
HSBC	3	153,540	-
Barclays	3	167,855	-
Royal Dutch Shell	3	279,148	-
Balance carried forward		<u>60,874,751</u>	<u>-</u>

## Notes to the financial statements (continued)

For the financial year ended 30 June 2021

## 10 Amounts due to/from broker (continued)

The following table shows the breakdown of amounts due to Custodian/Broker on margin accounts as at 30 June 2021 (continued):

Component Securities	Leverage	Cash borrowings for short positions	Cash collateral for short positions
		USD	USD
Balance brought forward (from previous page)		60,874,751	-
BP	3	340,319	-
Vodafone	3	316,470	-
Tesla	1	131	-
Amazon	1	1,187	-
Microsoft	1	(125)	-
Alphabet	1	(245)	-
Facebook	1	(21)	-
Apple	1	(52)	-
Netflix	1	160	-
Shopify	1	570	-
Coinbase	1	34	-
AMD	3	689,422	-
Twitter	3	683,820	-
Alibaba	3	490,660	-
UBER	3	388,747	-
AIRBNB	3	425,867	-
Plug power	3	519,377	-
Disney	3	381,655	-
Palantir	3	461,830	-
Roku	3	754,823	-
JD	3	547,372	-
Peloton	3	518,962	-
Baidu	3	489,446	-
Plug power	1	(6)	-
JD	1	(3)	-
AIRBNB	1	(64)	-
Baidu	1	(77)	-
Sea	1	(61)	-
Pinduoduo	1	21	-
NIO	1	(15)	-
Palantir	1	(3)	-
Tesla	-1	-	6,167,054
Advanced Micro Devices	-1	-	170,154
Amazon	-1	-	248,655
Apple	-1	-	395,712
Alibaba	-1	-	318,080
Salesforce.Com	-1	-	227,018
Facebook	-1	-	224,346
Alphabet	-1	-	205,731
Microsoft	-1	-	243,687
Micron Technology	-1	-	185,938
Netflix	-1	-	259,517
NVIDIA	-1	-	142,303
Twitter	-1	-	219,366
UBER	-1	-	218,167
Tesla	-2	-	855,900
Paypal	-1	-	140,860
Shopify	-1	-	120,798
Boeing	-1	-	199,207
Zoom	-1	-	180,031
Square	-1	-	162,280
Citigroup	-1	-	154,902
Goldman Sachs	-1	-	171,006
JPMorgan	-1	-	178,337
Balance carried forward		<u>67,884,952</u>	<u>11,389,049</u>

## Notes to the financial statements (continued)

For the financial year ended 30 June 2021

## 10 Amounts due to/from broker (continued)

The following table shows the breakdown of margin accounts as at 30 June 2021 (continued):

Component Securities	Leverage	Cash borrowings for short positions USD	Cash collateral for short positions USD
Balance brought forward (from previous page)		67,884,952	11,389,049
HSBC	-1	-	185,703
Barclays	-1	-	191,291
Royal Dutch Shell	-1	-	160,252
BP	-1	-	152,543
Vodafone	-1	-	170,232
AIRBNB	-1	-	387,516
Plug power	-1	-	346,687
Disney	-1	-	404,335
Palantir	-1	-	377,167
Roku	-1	-	311,844
JD	-1	-	355,614
Peloton	-1	-	355,971
Tesla	-3	-	575,252
Baidu	-1	-	370,262
		<u>67,884,952</u>	<u>15,733,718</u>

## 11 Financial liabilities at fair value through profit or loss

	Financial year ended 30-Jun-21 USD	Financial year ended 30-Jun-20 USD
Fair value on short exposure to Component Securities	8,138,057	2,629,730
ETP Securities issued	62,330,540	16,550,374
	<u>70,468,597</u>	<u>19,180,104</u>

Fair value on short exposure to Component Securities is the market value of the short positions taken in equities that underly the short exposure Series and is measured at fair value through profit and loss. ETP Securities issued for a particular Series are measured at fair value through profit or loss.

The Company's obligations under the financial liabilities issued are secured by the Component Securities and margin account balances as per notes 8 and 10 to the financial statements. The noteholders' recourse per Series is limited to the assets of that particular Series. Each Series has an option for early redemption.

All unrealised gains/(losses) on financial liabilities are primarily attributable to market risk arising from price movements in the Component Securities.

Details about the ETP Securities listing are disclosed in the Director's report.

The financial liabilities in issue at 30 June 2021 and 30 June 2020 are as follows:

Description	ISIN	Maturity date	Fair value 30-Jun-21 USD	Nominal Amount 30-Jun-21 USD	Fair value 30-Jun-20 USD	Nominal Amount 30-Jun-20 USD
2x Alphabet ETP	IE00BF01VY89	05-Dec-67	2,768,405	740,000	1,457,528	1,116,000
2x Amazon ETP	IE00BF03XH11	05-Dec-67	7,144,317	1,317,740	3,802,232	973,000
2x Apple ETP	IE00BF03XJ35	05-Dec-67	3,993,260	624,440	1,124,148	349,400
2x Citigroup ETP	IE00BF03XL56	05-Dec-67	127,295	284,700	115,791	460,000
Balance carried forward			<u>14,033,277</u>	<u>2,966,880</u>	<u>6,499,699</u>	<u>2,898,400</u>

## Notes to the financial statements (continued)

For the financial year ended 30 June 2021

## 11 Financial liabilities at fair value through profit or loss (continued)

The financial liabilities in issue at 30 June 2021 and 30 June 2020 are as follows (continued):

Description	ISIN	Maturity date	Fair value	Nominal	Fair value	Nominal
			30-Jun-21	30-Jun-21	30-Jun-20	30-Jun-20
			USD	USD	USD	USD
Balance brought forward (from previous page)			14,033,277	2,966,880	6,499,699	2,898,400
2x Facebook ETP	IE00BF03XP94	05-Dec-67	1,140,035	570,200	669,641	683,200
2x Goldman Sachs ETP	IE00BF03XR19	05-Dec-67	536,298	361,880	254,091	591,000
2x JPMorgan ETP	IE00BF03XW61	05-Dec-67	193,220	126,000	117,645	200,000
2x Microsoft ETP	IE00BF03XY85	05-Dec-67	2,920,717	419,520	2,049,375	483,800
2x Visa ETP	IE00BD09ZV33	05-Dec-67	856,061	288,700	849,679	393,000
2x Netflix ETP	IE00BD09ZW40	05-Dec-67	519,136	135,780	311,623	91,000
2x NVIDIA ETP	IE00BD09ZX56	05-Dec-67	2,335,490	378,160	1,017,225	594,000
2x Salesforce.com ETP	IE00BD09ZY63	05-Dec-67	344,216	115,800	78,990	38,000
-1x Tesla ETP	IE00BKT6ZH01	07-Apr-70	6,155,030	39,313,160	190,965	200,000
2x Tesla ETP	IE00BK5BZY66	07-Apr-70	8,207,525	455,440	282,504	89,200
3x Apple ETP	IE00BK5BZS07	04-Jun-70	2,583,182	814,800	106,196	77,400
2x Advanced micro devices ETP	IE00BKT6ZG93	04-Jun-70	721,461	297,000	195,370	200,000
-1x Advanced micro devices ETP	IE00BKT66Q62	04-Jun-70	169,818	200,000	393,942	200,000
3x Amazon ETP	IE00BK5BZQ82	04-Jun-70	1,234,300	648,560	107,177	79,400
-1x Amazon ETP	IE00BKT66S86	04-Jun-70	248,211	200,000	368,193	200,000
1x Apple ETP	IE00BKTWZ451	04-Jun-70	394,988	392,000	354,447	200,000
2x Alibaba ETP	IE00BK5C1C97	04-Jun-70	1,643,956	1,876,780	193,139	200,000
-1x Alibaba ETP	IE00BKT66M25	04-Jun-70	317,504	200,000	403,790	200,000
3x Salesforce.com ETP	IE00BK5BZT14	04-Jun-70	400,594	248,140	87,515	74,000
-1x Salesforce.com ETP	IE00BKTWZ568	04-Jun-70	226,612	200,000	371,094	200,000
3x Facebook ETP	IE00BK5C1B80	04-Jun-70	835,046	387,300	99,265	109,000
-1x Facebook ETP	IE00BKTWZ675	04-Jun-70	223,943	200,000	402,267	200,000
3x Alphabet ETP	IE00BK5BZX59	04-Jun-70	587,531	150,400	185,276	200,000
-1x Alphabet ETP	IE00BKTW9N20	04-Jun-70	205,374	200,000	399,209	200,000
3x Microsoft ETP	IE00BK5BZV36	04-Jun-70	1,417,912	591,920	145,441	112,800
-1x Microsoft ETP	IE00BKTW9M13	04-Jun-70	243,244	200,000	361,751	200,000
2x Micron Technology ETP	IE00BKT66K01	04-Jun-70	156,670	64,500	217,794	200,000
-1x Micron Technology ETP	IE00BKT66P55	04-Jun-70	185,600	200,000	358,860	200,000
3x Netflix ETP	IE00BK5BZW43	04-Jun-70	485,679	440,400	95,208	78,000
-1x Netflix ETP	IE00BKTWZ782	04-Jun-70	258,969	200,000	368,802	200,000
3x NVIDIA ETP	IE00BK5BZR99	04-Jun-70	1,717,960	280,960	84,476	69,400
-1x NVIDIA ETP	IE00BKTW5674	04-Jun-70	142,010	200,000	356,841	200,000
2x Twitter ETP	IE00BKT66J95	04-Jun-70	256,299	92,700	143,158	200,000
-1x Twitter ETP	IE00BKT66N32	04-Jun-70	218,941	293,700	457,631	200,000
2x Uber ETP	IE00BKT66L18	04-Jun-70	71,052	51,500	137,896	200,000
-1x Uber ETP	IE00BKT66R79	04-Jun-70	217,788	200,000	463,929	200,000
3X Tesla ETP	XS2297549128	21-Mar-71	2,900,265	3,839,960	-	-
3X Paypal ETP	XS2297550217	21-Mar-71	288,752	199,946	-	-
3X Shopify ETP	XS2297550563	21-Mar-71	163,501	96,749	-	-
3X Boeing ETP	XS2297551371	21-Mar-71	209,049	326,017	-	-
3X Zoom ETP	XS2297551611	21-Mar-71	123,872	105,618	-	-
3X Square ETP	XS2297552262	21-Mar-71	522,193	653,019	-	-
3X HSBC ETP	XS2297618030	21-Mar-71	76,912	89,308	-	-
3X Barclays ETP	XS2297618626	21-Mar-71	84,130	108,348	-	-
3X Royal Dutch Shell ETP	XS2297634318	21-Mar-71	139,789	199,996	-	-
3X BP ETP	XS2297636107	21-Mar-71	170,462	199,943	-	-
3X Vodafone ETP	XS2297637253	21-Mar-71	150,857	199,996	-	-
1X Tesla Tracker ETP	XS2337093798	07-May-71	224,145	200,000	-	-
1X Amazon Tracker ETP	XS2337104231	07-May-71	212,077	200,008	-	-
1X Microsoft Tracker ETP	XS2337100320	07-May-71	216,007	199,995	-	-
1X Alphabet Tracker ETP	XS2337100163	07-May-71	208,244	200,004	-	-
1X Facebook Tracker ETP	XS2337100080	07-May-71	214,185	199,999	-	-
1X Apple Tracker ETP	XS2337099563	07-May-71	215,465	199,984	-	-
1X Netflix Tracker ETP	XS2337098839	07-May-71	210,043	200,000	-	-
Balance carried forward			58,735,597	61,381,070	19,180,104	10,661,600

## Notes to the financial statements (continued)

For the financial year ended 30 June 2021

## 11 Financial liabilities at fair value through profit or loss (continued)

Description	ISIN	Maturity date	Fair value	Nominal	Fair value	Nominal
			30-Jun-21 USD	Amount 30-Jun-21 USD	30-Jun-20 USD	Amount 30-Jun-20 USD
Balance brought forward (from previous page)			58,735,597	61,381,070	19,180,104	10,661,600
1X Shopify Tracker ETP	XS2337094259	07-May-71	231,699	200,003	-	-
1X Coinbase Tracker ETP	XS2338070282	07-May-71	112,419	100,003	-	-
3X AMD ETP	XS2337090422	07-May-71	345,027	199,863	-	-
3X Twitter ETP	XS2337090778	07-May-71	342,288	199,792	-	-
3X Alibaba ETP	XS2337090851	07-May-71	245,617	199,946	-	-
3X Uber ETP	XS2337092550	07-May-71	194,666	199,776	-	-
3X Airbnb ETP	XS2336344762	07-May-71	213,122	199,927	-	-
3X Plug Power ETP	XS2336361345	07-May-71	259,832	199,974	-	-
3X Disney ETP	XS2335553801	07-May-71	191,008	199,944	-	-
3X Palantir ETP	XS2337085851	07-May-71	231,058	199,908	-	-
3X Roku ETP	XS2337086826	07-May-71	377,670	199,952	-	-
3X JD.COM ETP	XS2337087808	07-May-71	273,862	199,873	-	-
3X Peloton ETP	XS2337088012	07-May-71	259,610	199,902	-	-
3X Baidu ETP	XS2337092808	07-May-71	244,820	199,936	-	-
1X Plug Power Tracker ETP	XS2337100759	07-May-71	223,697	199,918	-	-
1X JD.COM Tracker ETP	XS2337100676	07-May-71	223,456	199,968	-	-
1X Airbnb Tracker ETP	XS2337098086	07-May-71	205,257	199,923	-	-
1X Baidu Tracker ETP	XS2337097518	07-May-71	214,769	199,993	-	-
1X Sea Tracker ETP	XS2337094093	07-May-71	198,308	199,998	-	-
1X Pinduoduo Tracker ETP	XS2337093954	07-May-71	208,786	199,985	-	-
1X Nio Tracker ETP	XS2337093871	07-May-71	228,602	199,942	-	-
1X Palantir Tracker ETP	XS2337092980	07-May-71	210,684	199,889	-	-
-2X Tesla ETP	XS2297550134	21-Mar-71	854,483	341,602	-	-
-1X Paypal ETP	XS2297550308	21-Mar-71	140,600	84,835	-	-
-1X Shopify ETP	XS2297551298	21-Mar-71	120,462	84,243	-	-
-1X Boeing ETP	XS2297551454	21-Mar-71	198,871	91,775	-	-
-1X Zoom ETP	XS2297551884	21-Mar-71	179,691	107,017	-	-
-1X Square ETP	XS2297552932	21-Mar-71	161,978	88,687	-	-
-1X Citigroup ETP	XS2297553070	21-Mar-71	154,645	75,128	-	-
-1X Goldman Sachs ETP	XS2297553153	21-Mar-71	170,704	95,624	-	-
-1X JPMorgan ETP	XS2297593456	21-Mar-71	177,970	91,152	-	-
-1X HSBC ETP	XS2297618204	21-Mar-71	185,393	92,223	-	-
-1X Barclays ETP	XS2297618972	21-Mar-71	190,962	95,048	-	-
-1X Royal Dutch Shell ETP	XS2297634409	21-Mar-71	159,956	76,448	-	-
-1X BP ETP	XS2297636875	21-Mar-71	152,284	77,547	-	-
-1X Vodafone ETP	XS2297637410	21-Mar-71	167,583	80,773	-	-
-1X Airbnb ETP	XS2336345223	07-May-71	387,156	199,892	-	-
-1X Plug Power ETP	XS2336362079	07-May-71	346,335	199,909	-	-
-1X Disney ETP	XS2337085422	07-May-71	403,967	199,895	-	-
-1X Palantir ETP	XS2337086669	07-May-71	376,818	199,945	-	-
-1X Roku ETP	XS2337087634	07-May-71	311,514	199,979	-	-
-1X JD.COM ETP	XS2337087980	07-May-71	355,266	199,945	-	-
-1X Peloton ETP	XS2337089846	07-May-71	355,616	199,936	-	-
-3X Tesla ETP	XS2337090265	07-May-71	574,581	199,959	-	-
-1X Baidu ETP	XS2337093525	07-May-71	369,908	199,821	-	-
			<u>70,468,597</u>	<u>68,960,868</u>	<u>19,180,104</u>	<u>10,661,600</u>

The return on each Series of ETPs is linked to the daily performance of the applicable index for such Series. The redemption amount of the ETPs is derived from the liquidation of the collateral assets, as purchased or sold in accordance with the leverage factor of such Series of ETPs. Each Series of ETPs constitutes limited recourse obligations of the Company, secured on and payable solely from the assets constituting the Security in respect of such Series.

**Notes to the financial statements (continued)**

For the financial year ended 30 June 2021

<b>12 Other payables</b>	<b>30-Jun-21</b>	<b>30-Jun-20</b>
	<b>USD</b>	<b>USD</b>
Redemption Payable	775,319	-
Interest payable	105,944	17,451
Fees payable to Arranger	42,410	9,905
VAT payable to Arranger	17,142	16,077
Corporation tax accrued	4,140	-
	<u>944,955</u>	<u>43,433</u>

**13 Payable to GWM Limited**

Where new capital is being invested into an ETP there may be a timing gap between the trade date and the receipt of the proceeds from the ETP issuance (normally T+3) and the Margin Account Provider may not provide the funding required to enable the portfolio administrator to execute the trade and maintain the economic exposure to the relevant index. When such events occurred during the year, GWM Limited provided the necessary funding to facilitate the trade. GWM Limited have been making available to the Company a line of credit of up to USD 1,000,000. GWM Limited has a limited recourse on the proceeds out of the ETP issuance.

The balance payable to GWM Limited at the year end is USD 225,708 (2020: USD 993,051). This balance is a related party transaction, as it has the same ultimate beneficial owner as the Arranger. This payable amount is not subject to interest and is repayable within 1 year.

<b>14 Called up share capital presented as equity</b>	<b>30-Jun-21</b>	<b>30-Jun-20</b>
	<b>USD</b>	<b>USD</b>
<i>Authorised:</i>		
25,000 ordinary shares of EUR1 each	<u>26,703</u>	<u>26,703</u>
<i>Issued, called up and fully paid:</i>		
25,000 ordinary shares of EUR1 each	<u>26,703</u>	<u>26,703</u>

**15 Ownership of the Company**

The issued shares are held by Monument Trustees Limited holding 25,000 shares. All shares are held in trust for charity under the terms of a declaration of trust.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings. No dividends were paid during the financial year or proposed by the Directors at the reporting date (2020: USD Nil).

The share trustees have appointed a Board to run the day to day activities of the Company. The Directors have considered the issue as to who is the ultimate controlling party. It has been determined that the control of the day to day activities of the Company rests with the Board.

**16 Related party transactions including transactions with Administrator and Directors***Transactions with Administrator and Directors*

Neil Fleming is also a Director of the Company's arranger, Leverage Shares Management Company Limited.

Details of directors' remuneration are set out in note 6.

Apex IFS Limited provides services such as accounting and reporting, company secretarial and other administration services to the Company. Lisa Hand is a Director of Apex IFS Limited and a Director of the Company.

*Transactions with Arranger*

Leverage Shares Management Company Limited provides arrangement services to the Company. The Company incurred fees for such services amounting to USD 270,875 (2020: USD 59,386) during the financial year ended 30 June 2021. In return for this, Leverage Shares Management Company Limited pays all operating expenses as described in note 6 to the financial statements. As at 30 June 2021, the balance payable to Leverage Shares Management Company Limited was USD 42,410 (2020: USD 9,905).

*Transactions with Portfolio Administrator*

A director and ultimate shareholder of the Arranger, Jose Gonzalez, is also a director and ultimate shareholder of GWM Limited. GWM Limited acts as portfolio administrator and broker dealer of record for the Company. Balances with GWM Limited are disclosed in note 13 to the financial statements.

*Transactions with Determination Agent*

A director and ultimate shareholder of the Arranger, Jose Gonzalez, is also the owner of Calculation Agent Services LLC. Calculation Agent Services LLC acts as determination agent for the Company.

Other than the above, there were no related party transactions during the financial year under review.

No director of the Company held any ETPs as at 30 June 2021 and 2020 and/or during the financial year.

**Notes to the financial statements (continued)**

For the financial year ended 30 June 2021

**17 Financial risk management***Risk management framework*

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has attempted to match the properties of its financial liabilities to its financial assets, to avoid significant elements of risk generated by mismatches of investment performance against its obligations together with any maturity or interest rate risk. The Company uses the net proceeds of the issuance of ETPs to invest in Component Securities. The Component Securities (including cash held as collateral) for each Series of ETPs will produce net cash flows to service all the Company's payment obligations in respect of that Series. The Company mitigates its exposure to market risk (interest rate risk, currency risk and price risk) and liquidity risk. However, the security holders are still exposed to these risks and the risks are not managed by the Company as the investors have entered the ETP program for the purpose of obtaining exposure to these risks. This economic hedge is executed through the Company's activities as described above and through its agreements with its counterparties. Refer to "Operational risk" section for more details.

The risk profile of the Company is such that market, credit, liquidity and other risks of the Component Securities are borne fully by the holders of ETPs issued. The ETPs issued are initially recorded at the value of the net proceeds received and are carried as financial liabilities at fair value through profit or loss. The ultimate amount to be repaid to the ETP holders will depend on the proceeds from the related Component Securities (including cash held as collateral). All substantial risks and rewards associated with the performance of the Component Securities are ultimately borne by the ETP holders. Therefore, any change in risk variables would not affect the equity or the results of the Company.

The Company, and ultimately the holders of the ETP Securities, have exposure to the following risks from its use of financial instruments:

- (a) Market risk;
- (b) Credit risk;
- (c) Liquidity risk; and
- (d) Operational risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing these risks.

**(a) Market risk**

The Company's liabilities in respect of the ETP Securities issued is referenced to various equity securities and is managed by the Company by investing in Component Securities which match the liability created by the issue of ETPs and margin account funding.

*(i) Interest rate risk*

As the Company has invested in Component Securities to match the the ETP Securities in issue and the margin account balance, there is deemed to be no interest rate risk to the Company.

*Sensitivity analysis*

Any change in the benchmark rate for the margin account will be offset by a change in the valuation of the ETP Securities. The ETP Security value includes cash borrowing costs. This is the finance expense on the margin account. The finance expense on the margin account equates to a daily margin interest rate corresponding to the relevant benchmark rate plus one per cent and as a result is floating in nature. See table below for sensitivity analysis in relation to increase/decrease of the relevant benchmark of 100bps on the nominal value financial liabilities at year end.

	Interest Expense	Impact of 100bps increase	Impact of 100bps decrease
	USD	USD	USD
30 June 2021	609,700	689,609	689,609
30 June 2020	174,089	106,616	106,616

*(ii) Currency risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As the Company's activity is the investment in Component Securities whose base currency matches the base currency of the ETPs and margin account, there is deemed to be no currency risk to the Company. As at 30 June 2021, the Company is owed EUR 26,703 from Leverage Shares LLC (2020: Eur 26,703). As the balance is minimal, the Directors are satisfied that the Company faces minimal currency risk and thus have not included any sensitivity analysis in these financial statements.

**Notes to the financial statements (continued)**

For the financial year ended 30 June 2021

**17 Financial risk management (continued)****(a) Market risk (continued)***(iii) Price risk*

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its Company or all factors affecting all instruments traded in the market. The Company does not consider price risk to be a significant risk to the Company as any fluctuation in the value of financial assets at fair value through profit or loss held by the Company will be offset by movements in the fair value of the issued ETP Securities.

The underlying securities are all listed on US stock exchanges. However, they are not necessarily US incorporated companies. The breakdown by industry of the underlying securities is as follows:

	<b>30-Jun-21</b>	<b>30-Jun-20</b>
	%	%
Communication Services	15	23
Consumer Discretionary	40	29
Energy	1	-
Financials	2	3
Industrials	2	2
Information Technology	40	43
	100	100

*Sensitivity analysis*

Any changes in the values of the Component Securities held by the Company would not have any effect on the equity or profit or loss of the Company as any fair value fluctuations are ultimately borne by the holders of the ETPs issued by the Company. However an increase in the share price will cause the cash that is posted as collateral to be used as margin to increase but the value of the ETP Securities will go down. If there was a 5% increase in the value of the Component Securities to USD 120,889,267 (2020: USD 27,477,152), the value of the ETPs issued would increase by USD 3,116,527 (2020: USD 959,005) to USD 65,447,067 (2020: USD 17,377,892). If there was a 5% decrease in the value of the Component Securities to USD 109,376,006 (2020: USD 24,860,280), the value of the ETPs issued would decrease by USD 3,116,527 (2020: USD 959,005) to USD 59,214,013 (2020: USD 15,722,855).

**(b) Credit risk**

Credit/Counterparty risk refers to the risk that the Custodian will default on its contractual obligations resulting in the Company being unable to make payment of amounts due to the ETP Securities holders or collect the amounts due from broker. Accordingly, the Company and the ETP Securities holders are exposed to the creditworthiness of the Custodian.

At the reporting date, the Company's financial assets were concentrated in the following asset types:

	<b>30-Jun-21</b>	<b>30-Jun-20</b>
	<b>USD</b>	<b>USD</b>
Component Securities	123,270,695	28,798,446
Amounts Due from Broker	15,974,407	6,160,974

The broker and the Custodian for the Component Securities, held on 30 June 2021 is Interactive Brokers LLC. Interactive Brokers LLC has a BBB+ (2020: BBB+) Outlook Positive rating from Standard and Poor's. The Custodian will identify in its own books that the Component Securities belong to the Company.

**(c) Liquidity risk**

Liquidity risk is the risk that the Company may be unable to fulfil its obligations, whether expected or unexpected. The maturity date of the ETP Securities has been disclosed in note 11 to the financial statements. ETP Securities cannot be issued without a matching investment in a Component Security being put in place. ETPs can be issued and redeemed daily, therefore this is the earliest maturity date for the purpose of the maturity analysis below.

The ability of the Company to generate enough arranger fees for Leverage Shares Management Company Limited to fund the Company's operational expenses on a long term basis is impacted by the value of the Company's investment in Component Securities which is in turn principally impacted by investor appetite for the ETPs and movements in the market value of the Component Securities.

*Contractual undiscounted cashflows*

The return on each Series of ETP Securities will be linked to the daily performance of the applicable Index for such Series, which in turn will be linked to the performance of the Component Security underlying that index. The redemption amount of the ETP Securities will be derived from the liquidation of the collateral assets, as purchased or sold in accordance with the Leverage Factor of such Series of ETP Securities. The amount payable on redemption of the ETP Securities will depend on the liquidation of the collateral assets held in the margin account.

## Notes to the financial statements (continued)

For the financial year ended 30 June 2021

## 17 Financial risk management (continued)

## (c) Liquidity risk (continued)

The following are the earliest contractual maturities of financial assets and financial liabilities:

30-Jun-21	Carrying	Less than one	One to five years	More than five
	Amount	year		years
	USD	USD	USD	USD
Financial assets at fair value through profit or loss	123,270,695	123,270,695	-	-
Amounts due from broker	15,974,407	15,974,407	-	-
Other receivables	297,929	297,929	-	-
	<u>139,543,031</u>	<u>139,543,031</u>	-	-
Financial liabilities at fair value through profit or loss	70,468,597	70,468,597	-	-
Amounts due to broker	67,884,952	67,884,952	-	-
Other payables	944,955	944,955	-	-
Payable to GWM Limited	225,708	225,708	-	-
	<u>139,524,212</u>	<u>139,524,212</u>	-	-

30-Jun-20	Carrying	Less than one	One to five years	More than five
	Amount	year		years
	USD	USD	USD	USD
Financial assets at fair value through profit or loss	28,798,446	28,798,446	-	-
Amounts due from broker	6,160,974	6,160,974	-	-
Other receivables	154,008	154,008	-	-
	<u>35,113,428</u>	<u>35,113,428</u>	-	-
Financial liabilities at fair value through profit or loss	19,180,104	19,180,104	-	-
Amounts due to broker	14,869,475	14,869,475	-	-
Other payables	43,433	43,433	-	-
Payable to GWM Limited	993,051	993,051	-	-
	<u>35,086,063</u>	<u>35,086,063</u>	-	-

## (d) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel and infrastructure, and from external factors other than credit, markets and liquidity issues such as those arising from legal and regulatory requirements and generally accepted standards to corporate behaviour.

Operational risks arise from all the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in note 1. Various management and administration functions are outsourced to Apex IFS, the Arranger and other parties as set out in the prospectus.

The Company is also exposed to operational risks such as custody risk. Custody risk is the risk of loss of collateral held in custody occasioned by the insolvency or negligence of the Custodian. Although an appropriate legal framework is in place that reduces the risk of loss of value of the securities held by the Custodian, in the event of its failure, the ability of the Company to transfer the securities might be impaired.

## (e) Fair Values

*Fair value measurement principles of Component Securities*

The fair values of the Component Securities are their listed price on the recognised stock exchanges in the United States of America.

*Fair value measurement principles of ETP Securities*

The ETP Securities are valued independently of the Company by a calculation agent using readily available, observable inputs.

The ETP value in respect of a Series of ETPs tracks the value of the specified Component Security and is calculated in accordance with the following:

On the issue date of each Tranche, the ETP Security value will be equal to the issue price of the ETP Security. On any valuation date thereafter, the ETP Security value is calculated as the ETP Security value on the immediately preceding valuation date adjusted by:

- the change in the value of the Component Securities since such preceding Valuation Date (as referenced to on the applicable stock exchange), less
- any cash borrowing costs, cash lending revenues, stock borrowing costs, revenues on collateral or costs of transaction taxes in respect of a Series of ETP Securities resulting from obtaining leveraged or short exposure to the Component Security (as described in the ETP agreement, using market observable inputs), minus
- applicable fees (as disclosed in the ETP agreement).

## Notes to the financial statements (continued)

For the financial year ended 30 June 2021

## 17 Financial risk management (continued)

## (e) Fair Values (continued)

The fair value of financial instruments carried at fair value is determined according to the following hierarchy:

- Level 1: Financial instruments, whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities. Quoted prices for these instruments are not adjusted. The Component Securities held by the Company are classified as Level 1.
- Level 2: Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. As level 2 financial instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. The ETPs issued by the Company are classified as Level 2. Refer to note 2c for determining the fair value of financial instruments.
- Level 3: Financial instruments classified within level 3 have significant unobservable inputs, as they trade infrequently. Pricing inputs are unobservable for the financial instrument and include situations where there is little, if any, market activity for the financial instrument. As observable prices are not available for these securities, the Company has used valuation techniques to derive the fair value, if applicable.

The Company's policy is to recognise transfers into and transfers out of the fair value hierarchy levels as at the last day of the accounting period. There were no transfers during the financial year between levels of the fair value hierarchy for either the financial assets or the financial liabilities, which are both recorded at fair value. At the reporting date the collateral assets are classified as Level 1, as a quoted price is available and the ETP Securities are classified as Level 2 as all inputs are observable.

<b>30-Jun-21</b>	<b>Level 1 Quoted price USD</b>	<b>Level 2 Valuation USD</b>	<b>Level 3 Valuation USD</b>	<b>Net Total USD</b>
<i>Financial assets at fair value</i>				
Component Securities	123,270,695	-	-	123,270,695
	<u>123,270,695</u>	<u>-</u>	<u>-</u>	<u>123,270,695</u>
<i>Financial liabilities at fair value</i>				
ETP Securities	-	62,330,540	-	62,330,540
Fair value on short exposure to Component Securities	8,138,057	-	-	8,138,057
	<u>8,138,057</u>	<u>62,330,540</u>	<u>-</u>	<u>70,468,597</u>
<b>30-Jun-20</b>				
	<b>Level 1 Quoted price USD</b>	<b>Level 2 Valuation USD</b>	<b>Level 3 Valuation USD</b>	<b>Net Total USD</b>
<i>Financial assets at fair value</i>				
Component Securities	28,798,446	-	-	28,798,446
	<u>28,798,446</u>	<u>-</u>	<u>-</u>	<u>28,798,446</u>
<i>Financial liabilities at fair value</i>				
ETP Securities	-	16,550,374	-	16,550,374
Fair value on short exposure to Component Securities	2,629,730	-	-	2,629,730
	<u>2,629,730</u>	<u>16,550,374</u>	<u>-</u>	<u>19,180,104</u>

**Accounting categorisation and fair values of financial assets and financial liabilities**

The carrying amounts of financial assets and financial liabilities not measured at fair values recognised in the financial statements approximate their fair values as these are considered short term in nature and are not considered to be realised or settled at values different from their carrying amounts.

**(f) Offsetting financial asset and financial liabilities**

The Company does not offset financial assets and financial liabilities. These are presented separately in the Statement of financial position.

**Notes to the financial statements (continued)**

For the financial year ended 30 June 2021

**18 Subsequent events**

The company has issued the following the following ETPs after the year end:

<b>Component Securities</b>	<b>Code</b>	<b>Date Issued</b>	<b>Nominal value (USD)</b>
Kronos Strategy	LS KRONOSx	19-Jul-21	20,000

On 10 September 2021, there has been Board approval on the termination of Interactive Brokers UK as Portfolio Administrator. The processes for this transition to GWM Limited are still ongoing and it is expected to be completed by November 2021.

There have been no other significant subsequent events that require disclosure and/or adjustment to the financial statements.

**19 Capital management**

For the purpose of the Company's capital management, capital includes issued share capital. The primary objective of the Company's capital management is to maintain shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to debt securities (i.e. the ETPs). There have been no breaches of any covenants in the current financial year. No changes were made to the objectives, policies or processes for managing capital since the beginning of the financial year.

**20 Commitments and Contingencies**

The Company had no commitments or contingencies as at 30 June 2021 (2020: none).

**21 Approval of financial statements**

The Directors authorised these financial statements for issue on 2 November 2021.