

Please cross release to all the below company codes



# Annual Report

for the Vanguard® Exchange Traded Funds

6 September 2024

Vanguard Investments Australia Ltd announces the following:

ETF	ASX CODE	ANNOUNCEMENT
Vanguard Australian Corporate Fixed Interest Index ETF	VACF	Annual Report
Vanguard Australian Fixed Interest Index ETF	VAF	Annual Report
Vanguard Australian Government Bond Index ETF	VGB	Annual Report
Vanguard Ethically Conscious Global Aggregate Bond Index (Hedged) ETF	VEFI	Annual Report
Vanguard Global Aggregate Bond Index (Hedged) ETF	VBND	Annual Report
Vanguard International Credit Securities Index (Hedged) ETF	VCF	Annual Report
Vanguard International Fixed Interest Index (Hedged) ETF	VIF	Annual Report

Vanguard has prepared an Annual report for the year ended 30 June 2024, for the Vanguard Wholesale Fixed Income Funds and ETFs. The ETFs above are classes of units in the relevant fund that are traded on the Australian Securities Exchange (ASX).

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

## Further Information

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

Past performance information is given for illustrative purposes only and should not be relied upon as, and is not, an indication of future performance. In preparing the information, individual circumstances, for example tax implications, have not been taken into account and it may, therefore, not be applicable to an individual's situation. Before making an investment decision, you should consider your circumstances and whether the above information is applicable to your situation.

© 2024 Vanguard Investments Australia Ltd (ABN 72 072 881 086 / AFS Licence 227263) ("Vanguard") is the issuer of the Vanguard® Australian ETFs.

Vanguard ETFs will only be issued to Authorised Participants. That is, persons who have entered into an Authorised Participant Agreement with Vanguard ("Eligible Investors"). Retail investors can transact in Vanguard ETFs through Vanguard Personal Investor, a stockbroker or financial adviser on the secondary market.

Investors should consider the Prospectus or Product Disclosure Statement ("PDS") in deciding whether to acquire Vanguard ETFs. Retail investors can only use the Prospectus or PDS for informational purposes. A copy of the Target Market Determinations (TMD) for Vanguard's financial products can be obtained at [vanguard.com.au](https://vanguard.com.au) free of charge and include a description of who the financial product is appropriate for. You should refer to the TMD of these Fund before making any investment decisions. You can access our disclosure documents at [vanguard.com.au](https://vanguard.com.au) or by calling 1300 655 101. This publication was prepared in good faith and we accept no liability for any errors or omissions.

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Annual report | 30 June 2024

# Vanguard Wholesale Fixed Income Funds and ETFs

## Responsible Entity

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## Vanguard Wholesale Fixed Income Funds and ETFs

Fund	ASX	ARSN	ABN
Vanguard Australian Inflation-Linked Bond Index Fund	-	147 936 249	69 769 407 563
Vanguard Short Term Fixed Interest Fund	-	090 940 060	19 638 293 529
Vanguard Cash Reserve Fund	-	127 015 301	62 738 136 510
Vanguard Australian Corporate Fixed Interest Index Fund	VACF	147 938 001	51 978 865 366
Vanguard Australian Fixed Interest Index Fund	VAF	090 939 941	52 931 145 473
Vanguard Australian Government Bond Index Fund	VGB	134 177 807	23 499 844 319
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	VEFI	618 349 090	40 120 502 284
Vanguard Global Aggregate Bond Index Fund (Hedged)	VBND	618 350 539	14 933 513 845
Vanguard International Credit Securities Index Fund (Hedged)	VCF	095 366 055	15 118 646 737
Vanguard International Fixed Interest Index Fund (Hedged)	VIF	090 940 337	59 108 266 812

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# About Vanguard

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

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

With over AUD \$14 trillion in assets under management globally as of 30 June 2024, including AUD \$4.2 trillion in ETFs, Vanguard is one of the world's largest global investment management companies.

In Australia, Vanguard has been serving financial advisers, retail clients and institutional investors for over 25 years.

## Our unique structure – putting investors' interests first

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

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

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

## Our investment expertise

When you invest with Vanguard, you have more than 45+ years of investing experience behind you. So no matter which investment products suit your needs, you can feel confident that Vanguard investments are built on a rigorous investment philosophy that stands the test of time.

## Low-cost investing

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

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

# Directors' report

The Responsible Entity of the Vanguard Wholesale Fixed Income Funds and ETFs (the "Funds") for the year ended 30 June 2024 was Vanguard Investments Australia Ltd (the "Responsible Entity").

The directors of Vanguard Investments Australia Ltd present their report together with the financial statements for the year ended 30 June 2024.

## Principal activities

The Funds invest in accordance with the investment policy of the Funds as set out in their respective Product Disclosure Statements (PDSs) and in accordance with the Funds' Constitution. The Funds (with the exception of Vanguard Short Term Fixed Interest Fund and Vanguard Cash Reserve Fund) seek to track the returns of the Funds' respective indices, before taking into account fees, expenses and tax. Vanguard Short Term Fixed Interest Fund and Vanguard Cash Reserve Fund are actively managed and do not track or replicate the performance of the benchmark.

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

The Funds did not have any employees during the year.

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

## Directors

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

Daniel Shrimski

John Bendl

Curt Jacques

Kim Petersen

Brian Dvorak (Appointed 26 July 2024)

## Review and results of operations

The Funds invest in fixed interest securities, money market securities, derivatives and cash and cash equivalents. The investment policy of the Funds continues to be in accordance with the provisions of the Funds' Constitution.

## Results

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

	Vanguard Australian Inflation-Linked Bond Index Fund		Vanguard Short Term Fixed Interest Fund		Vanguard Cash Reserve Fund		Vanguard Australian Corporate Fixed Interest Index Fund	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	11,200	19,918	10,779	7,665	23,485	17,869	49,836	26,076
<b>Distributions - Wholesale Class</b>								
Distribution paid and payable (\$'000)	4,435	1,414	9,694	6,005	22,713	18,373	6,133	2,368
Distribution (cents per unit)	1.5583	0.4188	4.3642	2.3282	4.2914	2.9975	3.1788	0.9227
<b>Distributions - ETF Class</b>								
Distribution paid and payable (\$'000)	-	-	-	-	-	-	20,170	5,692
Distribution (cents per unit)	-	-	-	-	-	-	154.9319	46.0975

# Directors' report (continued)

## Review and results of operations (continued)

### Results (continued)

	Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund		Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	258,237	73,533	49,010	4,443	18,755	18,011
<b>Distributions - Wholesale Class</b>						
Distribution paid and payable (\$'000)	146,451	49,010	16,176	5,237	-	-
Distribution (cents per unit)	2.6071	0.9092	2.4066	0.8326	-	-
<b>Distributions - ETF Class</b>						
Distribution paid and payable (\$'000)	47,799	14,287	24,475	8,044	1,403	1,356
Distribution (cents per unit)	114.6505	41.2239	113.1353	39.7284	85.1749	77.2169
<b>Distributions - AUD Hedged Class</b>						
Distribution paid and payable (\$'000)	-	-	-	-	2,014	1,215
Distribution (cents per unit)	-	-	-	-	1.5163	1.3636
<b>Distributions - NZD Hedged Class</b>						
Distribution paid and payable (\$'000)	-	-	-	-	36,507	17,779
Distribution (cents per unit)	-	-	-	-	3.9463	1.3637

	Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	163,671	(154,057)	20,683	(3,405)	28,113	(42,444)
<b>Distributions - Wholesale Class</b>						
Distribution paid and payable (\$'000)	157,562	123,448	9,937	8,174	22,609	15,242
Distribution (cents per unit)	1.7452	1.4597	2.3570	2.2100	1.5568	1.1702
<b>Distributions - ETF Class</b>						
Distribution paid and payable (\$'000)	23,341	11,822	3,822	4,110	13,451	9,222
Distribution (cents per unit)	80.4119	70.7388	97.2515	89.8520	67.0476	47.4446

### Performance

The tables below detail the performance of the Funds as represented by the total return, net of fees, which is calculated as the aggregation of the percentage capital growth and percentage distribution of income. The total return is shown for the past five years to 30 June 2024 and assumes that all distributions were re-invested during that period. These are calculated in accordance with FSC Standard 6.0 Product Performance - calculation and presentation of returns. The directors assess the performance of the Funds by comparing each Fund's total return with the corresponding Index (the "Benchmark") gross of fees.

	30 Jun 2024	30 Jun 2023	30 Jun 2022	30 Jun 2021	30 Jun 2020
	%	%	%	%	%
Vanguard Australian Inflation-Linked Bond Index Fund					
Capital growth	1.88	5.36	(12.61)	1.76	1.17
Distribution of income	1.35	0.39	1.13	3.31	1.21
Total return	3.23	5.75	(11.48)	5.07	2.38
Benchmark					
Bloomberg AusBond Inflation Treasury 1+ Yr Index	3.46	5.94	(11.14)	5.35	2.59

# Directors' report (continued)

## Review and results of operations (continued)

### Performance (continued)

	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard Short Term Fixed Interest Fund					
Capital growth	0.46	0.59	(0.94)	(0.34)	(0.12)
Distribution of income	4.39	2.34	0.06	0.59	1.41
Total return	4.85	2.93	(0.88)	0.25	1.29
Benchmark					
<i>Bloomberg AusBond Bank Bill Index</i>	4.37	2.89	0.10	0.06	0.85
	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard Cash Reserve Fund					
Capital growth	0.09	(0.08)	(0.09)	(0.04)	(0.14)
Distribution of income	4.38	3.03	0.05	-	0.94
Total return	4.47	2.95	(0.04)	(0.04)	0.80
Benchmark					
<i>Bloomberg AusBond Bank Bill Index</i>	4.37	2.89	0.10	0.06	0.85
	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard Australian Corporate Fixed Interest Index Fund - Wholesale Class					
Capital growth	2.75	2.24	(10.24)	0.39	(0.01)
Distribution of income	3.22	0.94	1.11	1.85	3.24
Total return	5.97	3.18	(9.13)	2.24	3.23
Benchmark					
<i>Bloomberg AusBond Credit 0+ Yr Index</i>	6.14	3.32	(8.89)	2.52	3.75
	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard Australian Corporate Fixed Interest Index Fund - ETF Class					
Capital growth	2.78	2.26	(10.25)	0.43	0.18
Distribution of income	3.23	0.97	1.15	1.84	3.08
Total return	6.01	3.23	(9.10)	2.27	3.26
Benchmark					
<i>Bloomberg AusBond Credit 0+ Yr Index</i>	6.14	3.32	(8.89)	2.52	3.75
	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard Australian Fixed Interest Index Fund - Wholesale Class					
Capital growth	0.94	0.19	(12.05)	(3.64)	0.74
Distribution of income	2.57	0.90	1.35	2.58	3.19
Total return	3.51	1.09	(10.70)	(1.06)	3.93
Benchmark					
<i>Bloomberg AusBond Composite 0+ Yr Index</i>	3.68	1.24	(10.51)	(0.84)	4.18



# Directors' report (continued)

## Review and results of operations (continued)

### Performance (continued)

	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard Australian Fixed Interest Index Fund - ETF Class					
Capital growth	1.00	0.21	(12.00)	(3.64)	0.86
Distribution of income	2.60	0.93	1.35	2.62	3.11
Total return	3.60	1.14	(10.65)	(1.02)	3.97
Benchmark					
<i>Bloomberg AusBond Composite 0+ Yr Index</i>	3.68	1.24	(10.51)	(0.84)	4.18
	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard Australian Government Bond Index Fund - Wholesale Class					
Capital growth	0.50	(0.21)	(11.74)	(4.51)	0.26
Distribution of income	2.55	0.88	0.58	2.93	3.89
Total return	3.05	0.67	(11.16)	(1.58)	4.15
Benchmark					
<i>Bloomberg AusBond Govt 0+ Yr Index</i>	3.25	0.88	(10.95)	(1.37)	4.33
	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard Australian Government Bond Index Fund - ETF Class					
Capital growth	0.60	(0.16)	(11.74)	(3.82)	1.27
Distribution of income	2.50	0.88	0.61	2.28	2.91
Total return	3.10	0.72	(11.13)	(1.54)	4.18
Benchmark					
<i>Bloomberg AusBond Govt 0+ Yr Index</i>	3.25	0.88	(10.95)	(1.37)	4.33
	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) - ETF Class					
Capital growth	(0.17)	(3.99)	(11.40)	(9.76)	3.36
Distribution of income	2.04	1.78	0.95	9.18	2.05
Total return	1.87	(2.21)	(10.45)	(0.58)	5.41
Benchmark					
<i>Bloomberg MSCI Global Aggregate SRI Exclusions Float Adjusted Index hedged into Australian dollars (AUD) (Index)</i>	2.11	(1.99)	(10.42)	(0.37)	5.64
	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) - AUD Hedged Class					
Capital growth	(0.03)	(3.85)	(16.18)	(10.39)	3.63
Distribution of income	1.91	1.66	5.73	9.80	1.76
Total return	1.88	(2.19)	(10.45)	(0.59)	5.39
Benchmark					
<i>Bloomberg MSCI Global Aggregate SRI Exclusions Float Adjusted Index hedged into Australian dollars (AUD) (Index)</i>	2.11	(1.99)	(10.42)	(0.37)	5.64

# Directors' report (continued)

## Review and results of operations (continued)

### Performance (continued)

	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) - NZD Hedged Class					
Capital growth	(2.32)	(3.16)	(11.03)	(10.51)	3.73
Distribution of income	5.27	1.76	1.03	10.05	2.01
Total return	2.95	(1.40)	(10.00)	(0.46)	5.74
Benchmark					
<i>Bloomberg MSCI Global Aggregate SRI Exclusions Float Adjusted Index hedged into New Zealand dollars (NZD) (Index)</i>	3.25	(1.11)	(9.95)	(0.19)	6.16
	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard Global Aggregate Bond Index Fund (Hedged) - Wholesale Class					
Capital growth	(0.11)	(3.81)	(12.01)	(10.84)	2.76
Distribution of income	2.15	1.74	1.21	10.57	2.31
Total return	2.04	(2.07)	(10.80)	(0.27)	5.07
Benchmark					
<i>Bloomberg Global Aggregate Float-Adjusted and Scaled Index hedged into Australian dollars</i>	2.27	(1.83)	(10.75)	(0.10)	5.60
	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard Global Aggregate Bond Index Fund (Hedged) - ETF Class					
Capital growth	0.11	(3.72)	(11.94)	(10.53)	3.05
Distribution of income	1.97	1.68	1.20	10.30	2.06
Total return	2.08	(2.04)	(10.74)	(0.23)	5.11
Benchmark					
<i>Bloomberg Global Aggregate Float-Adjusted and Scaled Index hedged into Australian dollars</i>	2.27	(1.83)	(10.75)	(0.10)	5.60
	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard International Credit Securities Index Fund (Hedged) - Wholesale Class					
Capital growth	1.12	(3.18)	(14.64)	(10.83)	2.43
Distribution of income	2.63	2.39	1.92	12.69	2.36
Total return	3.75	(0.79)	(12.72)	1.86	4.79
Benchmark					
<i>Bloomberg Global Aggregate Corporate and Government-Related Scaled Index hedged into Australian dollars</i>	4.05	(0.52)	(12.66)	2.08	5.25
	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard International Credit Securities Index Fund (Hedged) - ETF Class					
Capital growth	1.14	(3.11)	(14.55)	(10.67)	2.36
Distribution of income	2.63	2.36	1.85	12.52	2.45
Total return	3.77	(0.75)	(12.70)	1.85	4.81
Benchmark					
<i>Bloomberg Global Aggregate Corporate and Government-Related Scaled Index hedged into Australian dollars</i>	4.05	(0.52)	(12.66)	2.08	5.25

# Directors' report (continued)

## Review and results of operations (continued)

### Performance (continued)

	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard International Fixed Interest Index Fund (Hedged) - Wholesale Class					
Capital growth	(0.72)	(3.55)	(10.35)	(12.79)	0.23
Distribution of income	1.68	1.23	1.30	11.06	4.85
Total return	0.96	(2.32)	(9.05)	(1.73)	5.08
Benchmark					
<i>Bloomberg Global Treasury Scaled Index hedged into AUD</i>	1.19	(2.06)	(8.97)	(1.51)	5.35
	30 Jun 2024 %	30 Jun 2023 %	30 Jun 2022 %	30 Jun 2021 %	30 Jun 2020 %
Vanguard International Fixed Interest Index Fund (Hedged) - ETF Class					
Capital growth	(0.73)	(3.47)	(10.38)	(12.60)	1.47
Distribution of income	1.75	1.21	1.38	10.93	3.67
Total return	1.02	(2.26)	(9.00)	(1.67)	5.14
Benchmark					
<i>Bloomberg Global Treasury Scaled Index hedged into AUD</i>	1.19	(2.06)	(8.97)	(1.51)	5.35

Investors should be aware that past performance is not necessarily an indicator of future performance.

### Unit redemption prices

Unit redemption prices (quoted including distribution) are shown as follows:

	At 30 Jun 2024 \$	30 Jun 2023 \$	Period high 30 Jun 2024 \$	30 Jun 2023 \$	Period low 30 Jun 2024 \$	30 Jun 2023 \$
Vanguard Australian Inflation-Linked Bond Index Fund	1.1690	1.1468	1.2051	1.1870	1.1134	1.0438
Vanguard Short Term Fixed Interest Fund	1.0209	1.0149	1.0227	1.0180	1.0134	1.0066
Vanguard Cash Reserve Fund	1.0038	1.0044	1.0061	1.0051	1.0008	1.0010
Vanguard Australian Corporate Fixed Interest Index Fund - Wholesale Class	1.0380	1.0053	1.0453	1.0238	0.9945	0.9677
Vanguard Australian Corporate Fixed Interest Index Fund - ETF Class	50.4384	48.8426	50.7265	49.7423	48.3185	47.0096
Vanguard Australian Fixed Interest Index Fund - Wholesale Class	1.0376	1.0222	1.0523	1.0618	0.9921	0.9946
Vanguard Australian Fixed Interest Index Fund - ETF Class	45.1950	44.4755	45.7944	46.1933	43.1953	43.2664
Vanguard Australian Government Bond Index Fund - Wholesale Class	0.9563	0.9508	0.9741	0.9921	0.9146	0.9236
Vanguard Australian Government Bond Index Fund - ETF Class	45.9823	45.6718	46.8264	47.6476	43.9649	44.3509
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) - ETF Class	41.9984	42.1572	43.1302	44.8706	39.9765	40.6984
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) - AUD Hedged Class	0.7978	0.7991	0.8186	0.8502	0.7588	0.7712
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) - NZD Hedged Class	0.8301	0.8237	0.8476	0.8696	0.7844	0.7900
Vanguard Global Aggregate Bond Index Fund (Hedged) - Wholesale Class	0.8192	0.8211	0.8421	0.8731	0.7788	0.7904
Vanguard Global Aggregate Bond Index Fund (Hedged) - ETF Class	41.2420	41.2017	42.2753	43.8384	39.1482	39.6940
Vanguard International Credit Securities Index Fund (Hedged) - Wholesale Class	0.9178	0.9081	0.9388	0.9629	0.8650	0.8670
Vanguard International Credit Securities Index Fund (Hedged) - ETF Class	38.0621	37.6441	38.9250	39.9042	35.8739	35.9300
Vanguard International Fixed Interest Index Fund (Hedged) - Wholesale Class	0.9269	0.9327	0.9519	0.9872	0.8910	0.9065
Vanguard International Fixed Interest Index Fund (Hedged) - ETF Class	38.1912	38.4559	39.2964	40.6744	36.7633	37.3571

\* All unit prices are expressed in New Zealand dollars.

### Significant changes in state of affairs

Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, acts of terrorism, or other events, can adversely affect local and global markets and normal market operations. Any such disruptions could have an adverse impact on the value of the Funds' investments and fund performance.

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

# Directors' report (continued)

## Matters subsequent to the end of the financial year

Brian Dvorak appointed as Director of Vanguard Investments Australia Ltd on 26 July 2024.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect:

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

## Likely developments and expected results of operations

The Funds will continue to be managed in accordance with the investment objectives and guidelines as set out in the governing documents of the Funds and in accordance with the provisions of the Funds' Constitution.

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

## Indemnity and insurance of officers and auditors

No insurance premiums were paid for out of the assets of the Funds in regards to insurance cover provided to either the officers of Vanguard Investments Australia Ltd or the auditors of the Funds. So long as the officers of Vanguard Investments Australia Ltd act in accordance with the Funds' Constitution and the Law, the officers remain indemnified out of the assets of the Funds against losses incurred while acting on behalf of the Funds. The auditors of the Funds are in no way indemnified out of the assets of the Funds.

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

Fees paid to the Responsible Entity and its associates out of the Funds' property during the year are disclosed in note 16 of the financial statements.

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

The number of interests in the Funds held by the Responsible Entity or its associates as at the end of the financial year are disclosed in note 16 of the financial statements.

## Interests in the Funds

The movement in units on issue in the Funds during the year is disclosed in note 10 of the financial statements.

The value of the Funds' assets and liabilities are disclosed on the balance sheet and derived using the basis set out in note 2 of the financial statements.

## Environmental regulation

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

## Rounding of amounts to the nearest thousand dollars

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

## Directors' report (continued)

### Additional disclosure

The relief available in *ASIC Corporations (Related Scheme Reports) Instrument 2015/839* has been applied in the directors' report and the financial report, combining information related to multiple Funds. In accordance with that, information related to each included Fund has been readily identified and amounts for each included Fund is presented in the adjacent columns in this report.

### Auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 10.

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



Daniel Shrimski

*Managing Director, Vanguard Investments Australia Ltd*

Melbourne

4 September 2024



## Auditor's Independence Declaration

- Vanguard Australian Inflation-Linked Bond Index Fund
- Vanguard Short Term Fixed Interest Fund
- Vanguard Cash Reserve Fund
- Vanguard Australian Corporate Fixed Interest Index Fund\*
- Vanguard Australian Fixed Interest Index Fund\*
- Vanguard Australian Government Bond Index Fund\*
- Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)\*
- Vanguard Global Aggregate Bond Index Fund (Hedged)\*
- Vanguard International Credit Securities Index Fund (Hedged)\*
- Vanguard International Fixed Interest Index Fund (Hedged)\*

referred to collectively as the Vanguard Wholesale Fixed Income Funds and ETFs.

\*denotes listed Funds

As lead auditor for the audit of Vanguard Wholesale Fixed Income Funds and ETFs for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been:

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

A handwritten signature in black ink, appearing to read 'Adrian Gut'.

Adrian Gut  
Partner  
PricewaterhouseCoopers

Melbourne  
4 September 2024

# Statements of comprehensive income

For the year ended 30 June 2024

		Vanguard Australian Inflation-Linked Bond Index Fund		Vanguard Short Term Fixed Interest Fund		Vanguard Cash Reserve Fund		Vanguard Australian Corporate Fixed Interest Index Fund	
		30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>									
Interest income		21	18	14	19	36	98	15	59
Net gains/(losses) on financial instruments at fair value through profit or loss	6	12,206	21,011	11,210	8,161	24,277	18,692	51,568	27,683
Other operating income		-	5	-	-	-	13	64	171
<b>Total net investment income/(loss)</b>		<b>12,227</b>	<b>21,034</b>	<b>11,224</b>	<b>8,180</b>	<b>24,313</b>	<b>18,803</b>	<b>51,647</b>	<b>27,913</b>
<b>Expenses</b>									
Responsible Entity's fees	17	1,016	1,111	433	506	806	919	1,785	1,820
Custody fees		6	5	9	8	12	12	18	12
Transaction costs		-	-	1	1	2	3	6	5
Other operating expenses		5	-	2	-	8	-	2	-
<b>Total operating expenses</b>		<b>1,027</b>	<b>1,116</b>	<b>445</b>	<b>515</b>	<b>828</b>	<b>934</b>	<b>1,811</b>	<b>1,837</b>
<b>Operating profit/(loss)</b>		<b>11,200</b>	<b>19,918</b>	<b>10,779</b>	<b>7,665</b>	<b>23,485</b>	<b>17,869</b>	<b>49,836</b>	<b>26,076</b>
<b>Finance costs attributable to unitholders</b>									
Distributions to unitholders	11	-	-	-	-	-	-	(26,303)	(8,060)
(Increase)/decrease in net assets attributable to unitholders	10	-	-	-	-	-	-	(23,533)	(18,016)
<b>Profit/(loss) for the year</b>		<b>11,200</b>	<b>19,918</b>	<b>10,779</b>	<b>7,665</b>	<b>23,485</b>	<b>17,869</b>	<b>-</b>	<b>-</b>
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		<b>11,200</b>	<b>19,918</b>	<b>10,779</b>	<b>7,665</b>	<b>23,485</b>	<b>17,869</b>	<b>-</b>	<b>-</b>

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

# Statements of comprehensive income (continued)

For the year ended 30 June 2024

	Notes	Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund		Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	
		30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>							
Interest income		113	185	241	94	-	-
Net gains/(losses) on financial instruments at fair value through profit or loss	6	270,684	85,935	52,101	7,118	21,507	22,731
Other operating income		351	114	187	241	28	181
<b>Total net investment income/(loss)</b>		<b>271,148</b>	<b>86,234</b>	<b>52,529</b>	<b>7,453</b>	<b>21,535</b>	<b>22,912</b>
<b>Expenses</b>							
Responsible Entity's fees	17	12,751	12,670	3,490	2,991	2,405	3,481
Custody fees		22	19	20	19	132	104
Transaction costs		2	3	-	-	5	10
Withholding tax expense		-	-	-	-	88	127
Other operating expenses		136	9	9	-	150	1,179
<b>Total operating expenses</b>		<b>12,911</b>	<b>12,701</b>	<b>3,519</b>	<b>3,010</b>	<b>2,780</b>	<b>4,901</b>
<b>Operating profit/(loss)</b>		<b>258,237</b>	<b>73,533</b>	<b>49,010</b>	<b>4,443</b>	<b>18,755</b>	<b>18,011</b>
<b>Finance costs attributable to unitholders</b>							
Distributions to unitholders	11	(194,250)	(63,297)	(40,651)	(13,281)	(39,924)	(20,350)
(Increase)/decrease in net assets attributable to unitholders	10	(63,987)	(10,236)	(8,359)	8,838	21,169	2,339
<b>Profit/(loss) for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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



# Statements of comprehensive income (continued)

For the year ended 30 June 2024

		Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)	
		30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>							
Net gains/(losses) on financial instruments at fair value through profit or loss	6	184,597	(134,598)	22,362	(1,771)	33,597	(37,563)
Other operating income		825	447	88	68	383	180
<b>Total net investment income/(loss)</b>		<b>185,422</b>	<b>(134,151)</b>	<b>22,450</b>	<b>(1,703)</b>	<b>33,980</b>	<b>(37,383)</b>
<b>Expenses</b>							
Responsible Entity's fees	17	19,644	17,919	1,659	1,610	5,179	4,525
Custody fees		102	91	66	70	67	48
Transaction costs		12	10	2	2	2	2
Withholding tax expense		829	926	2	-	170	182
Other operating expenses		1,164	960	38	20	449	304
<b>Total operating expenses</b>		<b>21,751</b>	<b>19,906</b>	<b>1,767</b>	<b>1,702</b>	<b>5,867</b>	<b>5,061</b>
<b>Operating profit/(loss)</b>		<b>163,671</b>	<b>(154,057)</b>	<b>20,683</b>	<b>(3,405)</b>	<b>28,113</b>	<b>(42,444)</b>
<b>Finance costs attributable to unitholders</b>							
Distributions to unitholders	11	(180,903)	(135,270)	(13,759)	(12,284)	(36,060)	(24,464)
(Increase)/decrease in net assets attributable to unitholders	10	17,232	289,327	(6,924)	15,689	7,947	66,908
<b>Profit/(loss) for the year</b>		-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		-	-	-	-	-	-

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

# Balance sheets

As at 30 June 2024

	Notes	Vanguard Australian Inflation-Linked Bond Index Fund		Vanguard Short Term Fixed Interest Fund		Vanguard Cash Reserve Fund		Vanguard Australian Corporate Fixed Interest Index Fund	
		30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>									
Cash and cash equivalents	12	101	1,645	1	2	4	2	38	964
Margin accounts		-	8	7	30	79	420	340	154
Receivables		343	1,132	144	164	250	2,447	108	317
Due from brokers - receivable for securities sold		1,412	350	-	-	-	-	6,851	9,218
Financial assets at fair value through profit or loss	7	293,085	385,630	220,243	240,269	542,965	627,746	844,386	852,585
<b>Total assets</b>		<b>294,941</b>	<b>388,765</b>	<b>220,395</b>	<b>240,465</b>	<b>543,298</b>	<b>630,615</b>	<b>851,723</b>	<b>863,238</b>
<b>Liabilities</b>									
Margin accounts		-	-	-	-	-	324	-	-
Distribution payable	11	1,401	1,414	793	504	1,160	2,242	7,508	3,417
Payables		239	106	297	354	4,298	5,712	1,735	5,515
Due to brokers - payable for securities purchased		815	2,292	-	-	-	-	-	1,561
Financial liabilities at fair value through profit or loss	8	-	-	-	-	-	-	-	7
<b>Total liabilities</b>		<b>2,455</b>	<b>3,812</b>	<b>1,090</b>	<b>858</b>	<b>5,458</b>	<b>8,278</b>	<b>9,243</b>	<b>10,500</b>
<b>Net assets attributable to unitholders (equity)</b>	10	<b>292,486</b>	<b>384,953</b>	<b>219,305</b>	<b>239,607</b>	<b>537,840</b>	<b>622,337</b>	<b>-</b>	<b>-</b>
<b>Net assets attributable to unitholders (liability)</b>	10	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>842,480</b>	<b>852,738</b>

	Notes	Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund		Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	
		30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>							
Cash and cash equivalents	12	-	413	1,576	3,957	12,473	10,106
Margin accounts		1	2,984	-	670	244	1,189
Receivables		6,473	17,378	185	1,668	707	1,069
Due from brokers - receivable for securities sold		61,744	31,772	22,733	11,243	11,723	10,008
Financial assets at fair value through profit or loss	7	7,914,091	7,287,283	1,604,827	1,536,657	902,942	830,392
<b>Total assets</b>		<b>7,982,309</b>	<b>7,339,830</b>	<b>1,629,321</b>	<b>1,554,195</b>	<b>928,089</b>	<b>852,764</b>
<b>Liabilities</b>							
Bank overdraft	12	421	-	-	-	-	-
Margin accounts		-	2,504	-	621	3,910	5,526
Distribution payable	11	71,313	19,520	15,621	13,281	27,869	5,928
Payables		12,391	7,218	3,051	902	279	357
Due to brokers - payable for securities purchased		66,468	47,275	12,977	7,648	15,441	10,829
Financial liabilities at fair value through profit or loss	8	-	107,430	-	26,010	10,804	27,615
<b>Total liabilities</b>		<b>150,593</b>	<b>183,947</b>	<b>31,649</b>	<b>48,462</b>	<b>58,303</b>	<b>50,255</b>
<b>Net assets attributable to unitholders (liability)</b>	10	<b>7,831,716</b>	<b>7,155,883</b>	<b>1,597,672</b>	<b>1,505,733</b>	<b>869,786</b>	<b>802,509</b>

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

# Balance sheets (continued)

As at 30 June 2024

		Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)	
		30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>							
Cash and cash equivalents	12	127,230	86,657	6,916	4,737	10,937	20,467
Margin accounts		1,162	32,956	275	373	79	12,899
Receivables		10,012	5,200	277	465	1,405	3,571
Due from brokers - receivable for securities sold		48,483	112,348	3,590	5,857	22,779	17,580
Financial assets at fair value through profit or loss	7	9,119,869	8,041,477	553,167	516,066	2,027,686	2,156,634
<b>Total assets</b>		<b>9,306,756</b>	<b>8,278,638</b>	<b>564,225</b>	<b>527,498</b>	<b>2,062,886</b>	<b>2,211,151</b>
<b>Liabilities</b>							
Margin accounts		23,895	112,606	1,352	400	7,391	23,810
Distribution payable	11	56,276	47,142	4,072	3,962	10,580	9,012
Payables		74,304	5,946	416	4,560	4,057	2,590
Due to brokers - payable for securities purchased		160,952	248,616	9,547	8,174	40,636	76,321
Financial liabilities at fair value through profit or loss	8	28,660	96,981	1,603	5,971	7,567	24,630
<b>Total liabilities</b>		<b>344,087</b>	<b>511,291</b>	<b>16,990</b>	<b>23,067</b>	<b>70,231</b>	<b>136,363</b>
<b>Net assets attributable to unitholders (liability)</b>	10	<b>8,962,669</b>	<b>7,767,347</b>	<b>547,235</b>	<b>504,431</b>	<b>1,992,655</b>	<b>2,074,788</b>

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

# Statements of changes in equity

For the year ended 30 June 2024

		Vanguard Australian Inflation-Linked Bond Index Fund		Vanguard Short Term Fixed Interest Fund		Vanguard Cash Reserve Fund		Vanguard Australian Corporate Fixed Interest Index Fund	
		30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the financial year</b>		384,953	388,265	239,607	287,552	622,337	601,503	-	-
<b>Comprehensive income for the year</b>									
Profit/(loss) for the year		11,200	19,918	10,779	7,665	23,485	17,869	-	-
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		11,200	19,918	10,779	7,665	23,485	17,869	-	-
<b>Transactions with unitholders</b>									
Applications		66,522	65,503	85,787	75,440	235,228	151,160	-	-
Redemptions		(167,847)	(87,319)	(108,429)	(125,670)	(337,304)	(141,909)	-	-
Units issued upon reinvestment of distributions		2,093	-	1,255	625	16,807	12,087	-	-
Distributions paid and payable	11	(4,435)	(1,414)	(9,694)	(6,005)	(22,713)	(18,373)	-	-
<b>Total transactions with unitholders</b>		(103,667)	(23,230)	(31,081)	(55,610)	(107,982)	2,965	-	-
<b>Total equity at the end of the financial year</b>	10	292,486	384,953	219,305	239,607	537,840	622,337	-	-

		Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund		Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	
		30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the financial year</b>		-	-	-	-	-	-
<b>Comprehensive income for the year</b>							
Profit/(loss) for the year		-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		-	-	-	-	-	-
<b>Transactions with unitholders</b>							
Applications		-	-	-	-	-	-
Redemptions		-	-	-	-	-	-
Units issued upon reinvestment of distributions		-	-	-	-	-	-
Distributions paid and payable	11	-	-	-	-	-	-
<b>Total transactions with unitholders</b>		-	-	-	-	-	-
<b>Total equity at the end of the financial year</b>	10	-	-	-	-	-	-

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

# Statements of changes in equity (continued)

For the year ended 30 June 2024

	Notes	Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)	
		30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000
<b>Total equity at the beginning of the financial year</b>		-	-	-	-	-	-
<b>Comprehensive income for the year</b>							
Profit/(loss) for the year		-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		-	-	-	-	-	-
<b>Transactions with unitholders</b>							
Applications		-	-	-	-	-	-
Redemptions		-	-	-	-	-	-
Units issued upon reinvestment of distributions		-	-	-	-	-	-
Distributions paid and payable	11	-	-	-	-	-	-
<b>Total transactions with unitholders</b>		-	-	-	-	-	-
<b>Total equity at the end of the financial year</b>	10	-	-	-	-	-	-

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

# Statements of cash flows

For the year ended 30 June 2024

		Vanguard Australian Inflation-Linked Bond Index Fund		Vanguard Short Term Fixed Interest Fund		Vanguard Cash Reserve Fund		Vanguard Australian Corporate Fixed Interest Index Fund	
		30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>									
Proceeds from sale of financial instruments at fair value through profit or loss		176,856	85,906	441,841	596,324	1,695,936	2,305,619	341,141	292,102
Purchases of financial instruments at fair value through profit or loss		(74,636)	(60,687)	(410,582)	(540,660)	(1,586,861)	(2,312,236)	(280,761)	(268,213)
Transaction costs on purchases of financial instruments at fair value through profit or loss		-	-	(1)	(1)	(2)	(3)	(6)	(5)
Interest received		21	18	14	19	36	98	15	59
Other income received		3	17	7	-	18	29	64	171
Responsible Entity's fees paid		(1,039)	(1,111)	(437)	(514)	(817)	(918)	(1,789)	(1,820)
Other operating expenses paid		(11)	(5)	-	(8)	-	(48)	(27)	(16)
<b>Net cash inflow/(outflow) from operating activities</b>	13(a)	<b>101,194</b>	<b>24,138</b>	<b>30,842</b>	<b>55,160</b>	<b>108,310</b>	<b>(7,459)</b>	<b>58,637</b>	<b>22,278</b>
<b>Cash flows from financing activities</b>									
Proceeds from applications by unitholders		67,308	64,392	73,789	75,393	233,779	148,778	72,968	150,383
Payments for redemptions by unitholders		(167,691)	(87,390)	(96,482)	(125,697)	(335,099)	(137,167)	(111,082)	(168,750)
Distributions paid to unitholders		(2,355)	-	(8,150)	(4,876)	(6,988)	(4,177)	(21,449)	(5,078)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>(102,738)</b>	<b>(22,998)</b>	<b>(30,843)</b>	<b>(55,180)</b>	<b>(108,308)</b>	<b>7,434</b>	<b>(59,563)</b>	<b>(23,445)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(1,544)</b>	<b>1,140</b>	<b>(1)</b>	<b>(20)</b>	<b>2</b>	<b>(25)</b>	<b>(926)</b>	<b>(1,167)</b>
Cash and cash equivalents at the beginning of the year		1,645	505	2	22	2	27	964	2,131
<b>Cash and cash equivalents at the end of the year</b>	12	<b>101</b>	<b>1,645</b>	<b>1</b>	<b>2</b>	<b>4</b>	<b>2</b>	<b>38</b>	<b>964</b>
Non-cash financing activities	13(b)	2,093	-	1,255	625	16,807	12,087	763	167

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

# Statements of cash flows (continued)

For the year ended 30 June 2024

	Notes	Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund		Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	
		30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>							
Proceeds from sale of financial instruments at fair value through profit or loss		989,977	1,461,975	525,508	365,771	534,083	1,394,905
Purchases of financial instruments at fair value through profit or loss		(1,619,110)	(1,641,627)	(573,699)	(655,410)	(601,666)	(902,978)
Transaction costs on purchases of financial instruments at fair value through profit or loss		(2)	(3)	-	-	(5)	(10)
Interest received		113	185	241	94	-	11
Other income received		351	174	187	241	2,276	181
Responsible Entity's fees paid		(12,662)	(12,697)	(3,503)	(2,938)	(2,377)	(3,607)
Other operating expenses paid		(203)	(19)	(31)	(29)	(374)	(1,721)
<b>Net cash inflow/(outflow) from operating activities</b>	13(a)	<b>(641,536)</b>	<b>(192,012)</b>	<b>(51,297)</b>	<b>(292,271)</b>	<b>(68,063)</b>	<b>486,781</b>
<b>Cash flows from financing activities</b>							
Proceeds from applications by unitholders		1,401,466	1,017,476	511,864	530,084	268,138	287,834
Payments for redemptions by unitholders		(688,690)	(819,275)	(433,939)	(236,984)	(193,702)	(772,028)
Distributions paid to unitholders		(72,074)	(21,088)	(29,009)	(31)	(3,780)	(3,732)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>640,702</b>	<b>177,113</b>	<b>48,916</b>	<b>293,069</b>	<b>70,656</b>	<b>(487,926)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(834)</b>	<b>(14,899)</b>	<b>(2,381)</b>	<b>798</b>	<b>2,593</b>	<b>(1,145)</b>
Cash and cash equivalents at the beginning of the year		413	15,312	3,957	3,159	10,106	11,306
Effects of foreign currency exchange rate changes on cash and cash equivalents		-	-	-	-	(226)	(55)
<b>Cash and cash equivalents at the end of the year</b>	12	<b>(421)</b>	<b>413</b>	<b>1,576</b>	<b>3,957</b>	<b>12,473</b>	<b>10,106</b>
Non-cash financing activities	13(b)	(84,896)	22,689	9,302	-	14,203	17,977

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

# Statements of cash flows (continued)

For the year ended 30 June 2024

	Notes	Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)	
		30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>							
Proceeds from sale of financial instruments at fair value through profit or loss		3,604,801	3,137,222	262,442	258,068	1,097,543	610,110
Purchases of financial instruments at fair value through profit or loss		(4,675,689)	(3,775,547)	(281,161)	(263,476)	(982,381)	(882,938)
Transaction costs on purchases of financial instruments at fair value through profit or loss		(12)	(10)	(2)	(2)	(2)	(2)
Interest received		-	-	-	1	-	-
Other income received		32,691	8,776	4,604	1,911	383	180
Responsible Entity's fees paid		(19,421)	(17,839)	(1,651)	(1,609)	(5,161)	(4,484)
Other operating expenses paid		(2,468)	(2,076)	(133)	(81)	(14,525)	(8,548)
<b>Net cash inflow/(outflow) from operating activities</b>	13(a)	<b>(1,060,098)</b>	<b>(649,474)</b>	<b>(15,901)</b>	<b>(5,188)</b>	<b>95,857</b>	<b>(285,682)</b>
<b>Cash flows from financing activities</b>							
Proceeds from applications by unitholders		1,409,990	1,060,626	125,337	103,521	685,749	636,408
Payments for redemptions by unitholders		(285,917)	(415,316)	(96,870)	(90,256)	(763,842)	(315,585)
Distributions paid to unitholders		(19,662)	(8,894)	(10,206)	(8,651)	(26,884)	(23,076)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>1,104,411</b>	<b>636,416</b>	<b>18,261</b>	<b>4,614</b>	<b>(104,977)</b>	<b>297,747</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>44,313</b>	<b>(13,058)</b>	<b>2,360</b>	<b>(574)</b>	<b>(9,120)</b>	<b>12,065</b>
Cash and cash equivalents at the beginning of the year		86,657	100,201	4,737	5,336	20,467	8,401
Effects of foreign currency exchange rate changes on cash and cash equivalents		(3,740)	(486)	(181)	(25)	(410)	1
<b>Cash and cash equivalents at the end of the year</b>	12	<b>127,230</b>	<b>86,657</b>	<b>6,916</b>	<b>4,737</b>	<b>10,937</b>	<b>20,467</b>
Non-cash financing activities	13(b)	152,107	112,053	3,443	3,434	7,608	7,206

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



# Notes to the financial statements

For the year ended 30 June 2024

## 1 General information

These financial statements cover the Vanguard Wholesale Fixed Income Funds and ETFs (the "Funds") as registered managed investment schemes. The respective constitution dates are as follows:

- Vanguard Australian Inflation-Linked Bond Index Fund 17 December 2010
- Vanguard Short Term Fixed Interest Fund 21 July 1998
- Vanguard Cash Reserve Fund 9 August 2007
- Vanguard Australian Corporate Fixed Interest Index Fund 17 December 2010
- Vanguard Australian Fixed Interest Index Fund 6 December 1996
- Vanguard Australian Government Bond Index Fund 14 November 2008
- Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) 28 March 2017
- Vanguard Global Aggregate Bond Index Fund (Hedged) 28 March 2017
- Vanguard International Credit Securities Index Fund (Hedged) 11 December 2000
- Vanguard International Fixed Interest Index Fund (Hedged) 18 May 1999

The Responsible Entity of the Vanguard Wholesale Fixed Income Funds and ETFs is Vanguard Investments Australia Ltd (the "Responsible Entity"). The Responsible Entity's registered office is Level 13, 130 Lonsdale Street, Melbourne VIC 3000.

The Funds invest in accordance with the investment policy of the Funds as set out in their respective Product Disclosure Statements (PDSs) and in accordance with the Funds' Constitution. The Funds (with the exception of Vanguard Short Term Fixed Interest Fund and Vanguard Cash Reserve Fund) seek to track the returns of the Funds' respective indices, before taking into account fees, expenses and tax. Vanguard Short Term Fixed Interest Fund and Vanguard Cash Reserve Fund are actively managed and do not track or replicate the performance of the benchmark.

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

The financial statements were authorised for issue by the directors on 4 September 2024. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

## 2 Summary of material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated in the following text.

### (a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Accounting Standards Board and the *Corporations Act 2001* in Australia. The Funds are for-profit unit trusts for the purpose of preparing the financial statements.

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

The balance sheet is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All material balances are expected to be recovered or settled within 12 months, except for investments in financial assets at fair value through profit or loss and net assets attributable to unitholders. The amount expected to be recovered or settled within 12 months after the end of each reporting period cannot be reliably determined.

The Funds manage financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such it is expected that a portion of the portfolio will be realised within 12 months, however, an estimate of that amount cannot be determined as at balance date.

In the case of net assets attributable to unitholders, the units are redeemed on demand at the unitholder's option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within 12 months cannot be reliably determined.

### (i) Compliance with International Financial Reporting Standards

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

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 2 Summary of material accounting policies (continued)

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

#### (ii) New and amended standards adopted by the Funds

A number of amendments to standards and interpretations are effective for annual periods beginning after 1 July 2023. The amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

#### (iii) New standards, amendments and interpretations effective after 1 July 2024 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2024, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Funds.

### (b) Financial instruments

#### (i) Classification

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

Fixed interest securities, money market securities and derivatives are measured at fair value through profit or loss.

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

#### (ii) Recognition/derecognition

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

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

#### (iii) Measurement

At initial recognition, the Funds measure financial assets and financial liabilities at fair value. Transaction costs of financial assets carried at fair value through profit and loss are expensed in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income within 'net gains/(losses) on financial instruments at fair value through profit or loss' in the period in which they arise. Realised gains and losses on investments transactions and unrealised gain or loss of investments are both computed on weighted average cost basis.

For further details on how the fair value of the financial instruments is determined are disclosed in note 5.

#### (iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. Refer to note 4 to the financial statements for further information.

### (c) Net assets attributable to unitholders

Units are redeemable at the unitholders' option, however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unitholders.

The units can be put back to the Funds at any time for cash based on the redemption price, which is equal to a proportionate share of the Funds' net asset value attributable to the unitholders.

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 2 Summary of material accounting policies (continued)

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

The units are carried at the redemption amount that is payable at balance sheet date if the holder exercises the right to put the units back to the Funds. This amount represents the expected cash flows on redemption of these units.

Units are classified as equity when they satisfy the following criteria under AASB 132 *Financial instruments: Presentation*:

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Fund's liquidation
- the puttable financial instrument is in the class of instruments that is subordinate to all other classes of instruments and class features are identical
- apart from the contractual obligation to redeem the units, the puttable financial instrument does not include any contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavourable conditions to the Fund, and it is not a contract settled in the Fund's own equity instruments; and
- the total expected cash flows attributable to the puttable financial instrument over the life are based substantially on the profit or loss.

### (d) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown as a liability in the balance sheet.

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

### (e) Margin accounts

Margin accounts comprise of cash held with brokers for derivative transactions to meet margin calls. It is not included as a component of cash and cash equivalents.

### (f) Investment income

Interest income from financial assets at amortised cost is recognised on a time-proportionate basis using the effective interest method and includes interest from cash and cash equivalents.

Interest from financial assets at fair value through profit or loss is determined based on the contractual coupon interest rate and includes interest from debt securities. Refer to note 18 for further information.

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

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

### (g) Expenses

All expenses, including Responsible Entity's fees and custodian fees, are recognised in the statement of comprehensive income on an accruals basis.

### (h) Income tax

Under current legislation, the Funds are not subject to income tax provided they attribute the entirety of their taxable income to their unitholders.

The benefits of imputation credits and foreign tax paid are passed on to unitholders. The Funds currently incur withholding taxes imposed by certain countries on investment income and capital gains. Such income is recorded gross of withholding taxes in the statement of comprehensive income.

### (i) Distributions

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

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 2 Summary of material accounting policies (continued)

### (j) Increase/decrease in net assets attributable to unitholders

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

### (k) Functional and presentation currency

#### (i) Functional and presentation currency

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

#### (ii) Transactions and balances

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

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

### (l) Due from/to brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the year.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Funds shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Funds shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance.

### (m) Receivables and accrued income

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

### (n) Payables

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

As the Funds have a contractual obligation to distribute their distributable income, a separate distribution payable is recognised in the balance sheet as at the end of each reporting period where this amount remains unpaid as at the end of the reporting period.

### (o) Applications and redemptions

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

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

The GST incurred on the costs of various services provided to the Responsible Entity by third parties have been passed onto the Funds. The Funds qualify for Reduced Input Tax Credit recovery rate of between 55% and 100%, hence Responsible Entity's fees, custodial fees and other expenses have been recognised in the statement of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the balance sheet. Cash flows relating to GST are included in the statement of cash flows on a gross basis.

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 2 Summary of material accounting policies (continued)

### (q) Comparative revisions

Comparative information has been revised where appropriate to enhance comparability. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

### (r) Use of estimates

The Funds make estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

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

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

### (s) Consolidation

The Funds meet the criteria for the investment entity exception and as such, do not prepare consolidated financial statements. Instead, the Funds investments are accounted for at fair value as disclosed in note 2(b). Further, the Funds do not control any entities where they have investments.

### (t) Operating segments

The Funds with ETF class units are within the scope of AASB 8: *Operating Segments* as they satisfy the requirement, under AASB 8, of having debt or equity instruments traded in a public market or filing financial statements with a regulator for the purpose of issuing any class of instruments in a public market.

### (u) Rounding of amounts

The Funds are registered schemes of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, relating to the "rounding off" amounts in the financial statements. Amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise indicated.

## 3 Financial risk management

The Funds' activities expose them to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Funds' overall risk management program focuses on ensuring compliance with the Funds' Product Disclosure Statement and seeks to maximise the returns derived for the level of risk to which the Funds are exposed. The Funds use derivative financial instruments to moderate and create certain risk exposures. Financial risk management is carried out by the investment management department of the Responsible Entity under policies approved by the Board of Directors of the Responsible Entity (the "Board").

The Funds use different methods to measure different types of risks to which they are exposed. These methods are explained on the following pages.

Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, acts of terrorism, or other events, can adversely affect local and global markets and normal market operations. Any such disruptions could have an adverse impact on the value of the Fund's investments and fund performance.

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (a) Market risk

#### (i) Foreign exchange risk

The Funds have exposure to foreign assets and hold both monetary and non-monetary assets denominated in currencies other than the Australian dollar. Foreign exchange risk arises as the value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk, not foreign exchange risk.

In accordance with the Funds' policy, the investment manager monitors the Funds' foreign exchange exposure on all foreign currency denominated assets and liabilities on a daily basis. Currency positions are reconciled daily and discrepancies are immediately resolved. Procedures are established with the investment manager to trade currency as closely as possible to the close of the markets, so as to obtain exchange rates that closely approximate the rates used in the daily valuation.

There is no foreign exchange risk to Vanguard Australian Inflation-Linked Bond Index Fund, Vanguard Short Term Fixed Interest Fund, Vanguard Cash Reserve Fund, Vanguard Australian Corporate Fixed Interest Index Fund, Vanguard Australian Fixed Interest Index Fund and Vanguard Australian Government Bond Index Fund presented in this financial report.

The Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged), Vanguard Global Aggregate Bond Index Fund (Hedged), Vanguard International Credit Securities Index Fund (Hedged) and Vanguard International Fixed Interest Index Fund (Hedged) are exposed to foreign exchange risk as a result of investments in financial instruments denominated in foreign currencies. Fluctuations in the value of the Australian dollar and foreign currencies can affect the returns from overseas investments. This is because gains or losses must be converted back to Australian dollars. Foreign exchange risk is minimised as the Funds are hedged to Australian dollars so the value of the Funds are relatively unaffected by currency fluctuations.

The foreign exchange risk disclosures have been prepared on the basis of the Funds' direct investments and not on a look-through basis to investments held via interposed investment funds. In addition, any currency hedging to minimise the impact of foreign exchange risk has not been incorporated into the disclosures unless the derivatives are held directly in these Funds.

The tables below summarises the Funds' financial assets and liabilities, monetary and non-monetary, which are denominated in a currency other than the Australian dollar.

Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)					
30 Jun 2024					
	Canadian Dollar	Euro	New Zealand Dollar	US Dollar	Other currencies
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
<b>Assets</b>					
Cash and cash equivalents	697	3,352	19	5,907	2,260
Margin accounts	-	102	1	59	33
Receivables	-	-	-	-	58
Due from brokers - receivable for securities sold	594	328	-	9,408	1,393
Financial assets at fair value through profit or loss	25,540	250,885	3,214	457,739	138,482
<b>Total assets</b>	<b>26,831</b>	<b>254,667</b>	<b>3,234</b>	<b>473,113</b>	<b>142,226</b>
<b>Liabilities</b>					
Margin accounts	-	-	119	-	-
Payables	-	-	23	-	-
Due to brokers - payable for securities purchased	369	1,759	-	12,199	916
Financial liabilities at fair value through profit or loss	7	17	812	4,568	197
<b>Total liabilities</b>	<b>376</b>	<b>1,776</b>	<b>954</b>	<b>16,767</b>	<b>1,113</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>					
- Buy foreign currency	26,732	259,229	1,435,744	3,852,511	144,290
- Sell foreign currency	(53,447)	(517,976)	(724,265)	(4,315,031)	(288,062)
<b>Net exposure including foreign currency forward contracts</b>	<b>(260)</b>	<b>(5,856)</b>	<b>713,759</b>	<b>(6,174)</b>	<b>(2,659)</b>



# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (i) Foreign exchange risk (continued)

Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)					
30 Jun 2023					
	British Pound A\$'000	Japanese Yen A\$'000	New Zealand Dollar A\$'000	US Dollar A\$'000	Other currencies A\$'000
<b>Assets</b>					
Cash and cash equivalents	1,026	1,379	136	4,750	2,686
Margin accounts	36	41	231	607	169
Receivables	-	-	-	-	58
Due from brokers - receivable for securities sold	1,016	573	-	5,178	3,239
Financial assets at fair value through profit or loss	28,075	60,100	16,909	394,287	286,487
<b>Total assets</b>	<b>30,153</b>	<b>62,093</b>	<b>17,276</b>	<b>404,822</b>	<b>292,639</b>
<b>Liabilities</b>					
Margin accounts	-	-	230	-	-
Due to brokers - payable for securities purchased	521	923	-	5,084	3,999
Financial liabilities at fair value through profit or loss	710	40	1,729	515	5,915
<b>Total liabilities</b>	<b>1,231</b>	<b>963</b>	<b>1,959</b>	<b>5,599</b>	<b>9,914</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>					
- Buy foreign currency	31,003	60,675	1,322,445	3,446,172	296,117
- Sell foreign currency	(60,908)	(126,155)	(679,067)	(3,848,436)	(586,654)
<b>Net exposure including foreign currency forward contracts</b>	<b>(983)</b>	<b>(4,350)</b>	<b>658,695</b>	<b>(3,041)</b>	<b>(7,812)</b>

  

Vanguard Global Aggregate Bond Index Fund (Hedged)					
30 Jun 2024					
	Euro A\$'000	Japanese Yen A\$'000	Swedish Krona A\$'000	US Dollar A\$'000	Other currencies A\$'000
<b>Assets</b>					
Cash and cash equivalents	31,613	39,394	5,255	21,789	29,171
Margin accounts	891	-	-	-	271
Receivables	7	82	-	5	470
Due from brokers - receivable for securities sold	5,286	7,545	-	22,618	12,999
Financial assets at fair value through profit or loss	2,410,934	505,380	36,258	4,738,694	1,169,697
<b>Total assets</b>	<b>2,448,731</b>	<b>552,401</b>	<b>41,513</b>	<b>4,783,106</b>	<b>1,212,608</b>
<b>Liabilities</b>					
Due to brokers - payable for securities purchased	25,843	9,207	-	91,074	32,585
Financial liabilities at fair value through profit or loss	544	-	203	931	1,978
<b>Total liabilities</b>	<b>26,387</b>	<b>9,207</b>	<b>203</b>	<b>92,005</b>	<b>34,563</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>					
- Buy foreign currency	2,481,999	569,753	39,353	17,319,826	1,170,608
- Sell foreign currency	(4,959,589)	(1,138,682)	(78,758)	(22,019,427)	(2,355,575)
<b>Net exposure including foreign currency forward contracts</b>	<b>(55,246)</b>	<b>(25,735)</b>	<b>1,905</b>	<b>(8,500)</b>	<b>(6,922)</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (i) Foreign exchange risk (continued)

Vanguard Global Aggregate Bond Index Fund (Hedged)					
30 Jun 2023					
	Canadian Dollar A\$'000	Euro A\$'000	Israeli New Shekel A\$'000	US Dollar A\$'000	Other currencies A\$'000
<b>Assets</b>					
Cash and cash equivalents	6,779	24,593	2,355	29,206	23,721
Margin accounts	-	249	-	484	163
Receivables	-	9	-	-	410
Due from brokers - receivable for securities sold	5,693	14,333	-	87,184	5,138
Financial assets at fair value through profit or loss	235,419	2,049,256	11,172	4,009,638	1,335,435
<b>Total assets</b>	<b>247,891</b>	<b>2,088,440</b>	<b>13,527</b>	<b>4,126,512</b>	<b>1,364,867</b>
<b>Liabilities</b>					
Margin accounts	-	-	-	406	-
Due to brokers - payable for securities purchased	10,213	39,485	-	154,975	43,029
Financial liabilities at fair value through profit or loss	6,692	43,572	22	8,278	14,333
<b>Total liabilities</b>	<b>16,905</b>	<b>83,057</b>	<b>22</b>	<b>163,659</b>	<b>57,362</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>					
- Buy foreign currency	239,100	2,130,751	14,895	15,090,642	1,358,183
- Sell foreign currency	(477,984)	(4,197,308)	(30,178)	(18,185,168)	(2,724,400)
<b>Net exposure including foreign currency forward contracts</b>	<b>(7,898)</b>	<b>(61,174)</b>	<b>(1,778)</b>	<b>868,327</b>	<b>(58,712)</b>
Vanguard International Credit Securities Index Fund (Hedged)					
30 Jun 2024					
	Canadian Dollar A\$'000	Euro A\$'000	British Pound A\$'000	US Dollar A\$'000	Other currencies A\$'000
<b>Assets</b>					
Cash and cash equivalents	145	1,098	1,369	3,636	663
Margin accounts	-	115	10	124	16
Receivables	-	-	-	-	8
Due from brokers - receivable for securities sold	908	908	176	1,598	-
Financial assets at fair value through profit or loss	34,248	159,792	18,905	302,722	17,776
<b>Total assets</b>	<b>35,301</b>	<b>161,913</b>	<b>20,460</b>	<b>308,080</b>	<b>18,463</b>
<b>Liabilities</b>					
Due to brokers - payable for securities purchased	1,039	3,590	103	4,747	68
Financial liabilities at fair value through profit or loss	-	19	2	19	28
<b>Total liabilities</b>	<b>1,039</b>	<b>3,609</b>	<b>105</b>	<b>4,766</b>	<b>96</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>					
- Buy foreign currency	34,630	158,230	20,931	994,930	18,439
- Sell foreign currency	(69,249)	(319,985)	(41,623)	(1,299,963)	(37,172)
<b>Net exposure including foreign currency forward contracts</b>	<b>(357)</b>	<b>(3,451)</b>	<b>(337)</b>	<b>(1,719)</b>	<b>(366)</b>



# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (i) Foreign exchange risk (continued)

Vanguard International Credit Securities Index Fund (Hedged)					
30 Jun 2023					
	Euro A\$'000	Japanese Yen A\$'000	Korean Won A\$'000	US Dollar A\$'000	Other currencies A\$'000
<b>Assets</b>					
Cash and cash equivalents	667	368	42	2,501	827
Margin accounts	94	11	7	175	29
Receivables	-	-	-	-	11
Due from brokers - receivable for securities sold	3,304	-	-	1,251	1,048
Financial assets at fair value through profit or loss	143,111	7,941	3,460	277,953	59,512
<b>Total assets</b>	<b>147,176</b>	<b>8,320</b>	<b>3,509</b>	<b>281,880</b>	<b>61,427</b>
<b>Liabilities</b>					
Due to brokers - payable for securities purchased	3,121	-	-	2,886	2,167
Financial liabilities at fair value through profit or loss	3,156	5	8	128	1,553
<b>Total liabilities</b>	<b>6,277</b>	<b>5</b>	<b>8</b>	<b>3,014</b>	<b>3,720</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>					
- Buy foreign currency	153,261	8,634	3,611	958,686	65,683
- Sell foreign currency	(298,456)	(17,531)	(6,367)	(1,243,243)	(125,135)
<b>Net exposure including foreign currency forward contracts</b>	<b>(4,296)</b>	<b>(582)</b>	<b>745</b>	<b>(5,691)</b>	<b>(1,745)</b>

Vanguard International Fixed Interest Index Fund (Hedged)					
30 Jun 2024					
	Euro A\$'000	British Pound A\$'000	Indonesian Rupiah A\$'000	Japanese Yen A\$'000	Other currencies A\$'000
<b>Assets</b>					
Cash and cash equivalents	4,506	99	497	1,696	4,102
Margin accounts	70	-	-	7	2
Receivables	-	-	-	-	208
Due from brokers - receivable for securities sold	309	3,671	1,371	4,141	13,287
Financial assets at fair value through profit or loss	506,719	118,343	16,520	371,690	964,687
<b>Total assets</b>	<b>511,604</b>	<b>122,113</b>	<b>18,388</b>	<b>377,534</b>	<b>982,286</b>
<b>Liabilities</b>					
Due to brokers - payable for securities purchased	7,681	2,495	311	4,028	25,623
Financial liabilities at fair value through profit or loss	58	2	25	-	1,322
<b>Total liabilities</b>	<b>7,739</b>	<b>2,497</b>	<b>336</b>	<b>4,028</b>	<b>26,945</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>					
- Buy foreign currency	564,465	144,439	24,333	408,803	4,811,850
- Sell foreign currency	(1,080,472)	(266,404)	(42,774)	(797,721)	(5,756,571)
<b>Net exposure including foreign currency forward contracts</b>	<b>(12,142)</b>	<b>(2,349)</b>	<b>(389)</b>	<b>(15,412)</b>	<b>10,620</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (i) Foreign exchange risk (continued)

Vanguard International Fixed Interest Index Fund (Hedged)					
30 Jun 2023					
	Euro A\$'000	Japanese Yen A\$'000	Korean Won A\$'000	US Dollar A\$'000	Other currencies A\$'000
<b>Assets</b>					
Cash and cash equivalents	4,714	6,528	280	2,352	6,432
Margin accounts	54	38	-	37	49
Receivables	-	-	3	-	201
Due from brokers - receivable for securities sold	1,598	-	-	15,282	700
Financial assets at fair value through profit or loss	516,451	463,445	41,534	744,312	293,105
<b>Total assets</b>	<b>522,817</b>	<b>470,011</b>	<b>41,817</b>	<b>761,983</b>	<b>300,487</b>
<b>Liabilities</b>					
Due to brokers - payable for securities purchased	17,225	13,499	3,701	32,626	8,716
Financial liabilities at fair value through profit or loss	10,672	296	89	1,307	6,198
<b>Total liabilities</b>	<b>27,897</b>	<b>13,795</b>	<b>3,790</b>	<b>33,933</b>	<b>14,914</b>
<b>Net increase/(decrease) in exposure from foreign currency forward contracts</b>					
- Buy foreign currency	521,715	461,731	44,485	4,617,027	296,345
- Sell foreign currency	(1,032,618)	(949,366)	(84,351)	(5,339,491)	(588,983)
<b>Net exposure including foreign currency forward contracts</b>	<b>(15,983)</b>	<b>(31,419)</b>	<b>(1,839)</b>	<b>5,586</b>	<b>(7,065)</b>

The tables presented in note 3(b) summarise the impact of an increase/decrease of foreign exchange rates of each Funds' operating profit and net assets attributable to unitholders through changes in fair value or changes in future cash flows.

#### (ii) Cash flow and fair value interest rate risk

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

The Funds are exposed to cash flow interest rate risk on financial instruments with variable interest rates. Financial instruments with fixed rates expose the Funds to fair value interest rate risk.

The Funds' interest bearing financial assets and financial liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The risk is measured using sensitivity analysis.

The interest rate risk disclosures have been prepared on the basis of the Funds' direct investments and not on a look-through basis for investments held indirectly through unit trusts. Consequently the disclosure of interest rate risk below may not represent the true interest rate risk profile of the Funds where the Funds have significant investments in unit trusts which also have exposure to the interest rate markets.

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Cash flow and fair value interest rate risk (continued)

The tables below summarise those Funds whose exposure to interest rate risk is significant:

Vanguard Australian Inflation-Linked Bond Index Fund								
	30 Jun 2024				30 Jun 2023			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Assets</b>								
Cash and cash equivalents	101	-	-	101	1,645	-	-	1,645
Margin accounts	-	-	-	-	8	-	-	8
Receivables	-	-	343	343	-	-	1,132	1,132
Due from brokers - receivable for securities sold	-	-	1,412	1,412	-	-	350	350
Financial assets at fair value through profit or loss	-	293,085	-	293,085	-	385,630	-	385,630
<b>Total assets</b>	<b>101</b>	<b>293,085</b>	<b>1,755</b>	<b>294,941</b>	<b>1,653</b>	<b>385,630</b>	<b>1,482</b>	<b>388,765</b>
<b>Liabilities</b>								
Distribution payable	-	-	1,401	1,401	-	-	1,414	1,414
Payables	-	-	239	239	-	-	106	106
Due to brokers - payable for securities purchased	-	-	815	815	-	-	2,292	2,292
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>2,455</b>	<b>2,455</b>	<b>-</b>	<b>-</b>	<b>3,812</b>	<b>3,812</b>
<b>Net assets attributable to unitholders (equity)</b>	<b>101</b>	<b>293,085</b>	<b>(700)</b>	<b>292,486</b>	<b>1,653</b>	<b>385,630</b>	<b>(2,330)</b>	<b>384,953</b>
<b>Net exposure</b>	<b>101</b>	<b>293,085</b>	<b>(700)</b>	<b>292,486</b>	<b>1,653</b>	<b>385,630</b>	<b>(2,330)</b>	<b>384,953</b>

  

Vanguard Short Term Fixed Interest Fund								
	30 Jun 2024				30 Jun 2023			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Assets</b>								
Cash and cash equivalents	1	-	-	1	2	-	-	2
Margin accounts	7	-	-	7	30	-	-	30
Receivables	-	-	144	144	-	-	164	164
Financial assets at fair value through profit or loss	93,191	127,052	-	220,243	113,143	127,126	-	240,269
<b>Total assets</b>	<b>93,199</b>	<b>127,052</b>	<b>144</b>	<b>220,395</b>	<b>113,175</b>	<b>127,126</b>	<b>164</b>	<b>240,465</b>
<b>Liabilities</b>								
Distribution payable	-	-	793	793	-	-	504	504
Payables	-	-	297	297	-	-	354	354
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>1,090</b>	<b>1,090</b>	<b>-</b>	<b>-</b>	<b>858</b>	<b>858</b>
<b>Net assets attributable to unitholders (equity)</b>	<b>93,199</b>	<b>127,052</b>	<b>(946)</b>	<b>219,305</b>	<b>113,175</b>	<b>127,126</b>	<b>(694)</b>	<b>239,607</b>
Net increase/(decrease) in exposure from Australian interest rate futures	-	(422)	-	(422)	-	-	-	-
<b>Net exposure</b>	<b>93,199</b>	<b>126,630</b>	<b>(946)</b>	<b>218,883</b>	<b>113,175</b>	<b>127,126</b>	<b>(694)</b>	<b>239,607</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Cash flow and fair value interest rate risk (continued)

Vanguard Cash Reserve Fund								
	30 Jun 2024				30 Jun 2023			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Assets</b>								
Cash and cash equivalents	4	-	-	4	2	-	-	2
Margin accounts	79	-	-	79	420	-	-	420
Receivables	-	-	250	250	-	-	2,447	2,447
Financial assets at fair value through profit or loss	298,466	244,499	-	542,965	398,045	229,701	-	627,746
<b>Total assets</b>	<b>298,549</b>	<b>244,499</b>	<b>250</b>	<b>543,298</b>	<b>398,467</b>	<b>229,701</b>	<b>2,447</b>	<b>630,615</b>
<b>Liabilities</b>								
Margin accounts	-	-	-	-	324	-	-	324
Distribution payable	-	-	1,160	1,160	-	-	2,242	2,242
Payables	-	-	4,298	4,298	-	-	5,712	5,712
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>5,458</b>	<b>5,458</b>	<b>324</b>	<b>-</b>	<b>7,954</b>	<b>8,278</b>
<b>Net assets attributable to unitholders (equity)</b>	<b>298,549</b>	<b>244,499</b>	<b>(5,208)</b>	<b>537,840</b>	<b>398,143</b>	<b>229,701</b>	<b>(5,507)</b>	<b>622,337</b>
Net increase/(decrease) in exposure from Australian money market futures	(16,813)	-	-	(16,813)	(3,955)	-	-	(3,955)
<b>Net exposure</b>	<b>281,736</b>	<b>244,499</b>	<b>(5,208)</b>	<b>521,027</b>	<b>394,188</b>	<b>229,701</b>	<b>(5,507)</b>	<b>618,382</b>

  

Vanguard Australian Corporate Fixed Interest Index Fund								
	30 Jun 2024				30 Jun 2023			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Assets</b>								
Cash and cash equivalents	38	-	-	38	964	-	-	964
Margin accounts	340	-	-	340	154	-	-	154
Receivables	-	-	108	108	-	-	317	317
Due from brokers - receivable for securities sold	-	-	6,851	6,851	-	-	9,218	9,218
Financial assets at fair value through profit or loss	11,627	832,759	-	844,386	14,331	838,254	-	852,585
<b>Total assets</b>	<b>12,005</b>	<b>832,759</b>	<b>6,959</b>	<b>851,723</b>	<b>15,449</b>	<b>838,254</b>	<b>9,535</b>	<b>863,238</b>
<b>Liabilities</b>								
Distribution payable	-	-	7,508	7,508	-	-	3,417	3,417
Payables	-	-	1,735	1,735	-	-	5,515	5,515
Due to brokers - payable for securities purchased	-	-	-	-	-	-	1,561	1,561
Financial liabilities at fair value through profit or loss	-	-	-	-	-	7	-	7
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>9,243</b>	<b>9,243</b>	<b>-</b>	<b>7</b>	<b>10,493</b>	<b>10,500</b>
<b>Net assets attributable to unitholders (liability)</b>	<b>12,005</b>	<b>832,759</b>	<b>(2,284)</b>	<b>842,480</b>	<b>15,449</b>	<b>838,247</b>	<b>(958)</b>	<b>852,738</b>
Net increase/(decrease) in exposure from Australian interest rate futures	-	(3,506)	-	(3,506)	-	(4,227)	-	(4,227)
<b>Net exposure</b>	<b>12,005</b>	<b>829,253</b>	<b>(2,284)</b>	<b>838,974</b>	<b>15,449</b>	<b>834,020</b>	<b>(958)</b>	<b>848,511</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Cash flow and fair value interest rate risk (continued)

Vanguard Australian Fixed Interest Index Fund								
	30 Jun 2024				30 Jun 2023			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Assets</b>								
Cash and cash equivalents	-	-	-	-	413	-	-	413
Margin accounts	1	-	-	1	2,984	-	-	2,984
Receivables	-	-	6,473	6,473	-	-	17,378	17,378
Due from brokers - receivable for securities sold	-	-	61,744	61,744	-	-	31,772	31,772
Financial assets at fair value through profit or loss	17,252	7,896,839	-	7,914,091	15,423	7,271,860	-	7,287,283
<b>Total assets</b>	<b>17,253</b>	<b>7,896,839</b>	<b>68,217</b>	<b>7,982,309</b>	<b>18,820</b>	<b>7,271,860</b>	<b>49,150</b>	<b>7,339,830</b>
<b>Liabilities</b>								
Bank overdraft	421	-	-	421	-	-	-	-
Margin accounts	-	-	-	-	2,504	-	-	2,504
Distribution payable	-	-	71,313	71,313	-	-	19,520	19,520
Payables	-	-	12,391	12,391	-	-	7,218	7,218
Due to brokers - payable for securities purchased	-	-	66,468	66,468	-	-	47,275	47,275
Financial liabilities at fair value through profit or loss	-	-	-	-	-	107,430	-	107,430
<b>Total liabilities</b>	<b>421</b>	<b>-</b>	<b>150,172</b>	<b>150,593</b>	<b>2,504</b>	<b>107,430</b>	<b>74,013</b>	<b>183,947</b>
<b>Net assets attributable to unitholders (liability)</b>	<b>16,832</b>	<b>7,896,839</b>	<b>(81,955)</b>	<b>7,831,716</b>	<b>16,316</b>	<b>7,164,430</b>	<b>(24,863)</b>	<b>7,155,883</b>
<b>Net exposure</b>	<b>16,832</b>	<b>7,896,839</b>	<b>(81,955)</b>	<b>7,831,716</b>	<b>16,316</b>	<b>7,164,430</b>	<b>(24,863)</b>	<b>7,155,883</b>

Vanguard Australian Government Bond Index Fund								
	30 Jun 2024				30 Jun 2023			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Assets</b>								
Cash and cash equivalents	1,576	-	-	1,576	3,957	-	-	3,957
Margin accounts	-	-	-	-	670	-	-	670
Receivables	-	-	185	185	-	-	1,668	1,668
Due from brokers - receivable for securities sold	-	-	22,733	22,733	-	-	11,243	11,243
Financial assets at fair value through profit or loss	-	1,604,827	-	1,604,827	-	1,536,657	-	1,536,657
<b>Total assets</b>	<b>1,576</b>	<b>1,604,827</b>	<b>22,918</b>	<b>1,629,321</b>	<b>4,627</b>	<b>1,536,657</b>	<b>12,911</b>	<b>1,554,195</b>
<b>Liabilities</b>								
Margin accounts	-	-	-	-	621	-	-	621
Distribution payable	-	-	15,621	15,621	-	-	13,281	13,281
Payables	-	-	3,051	3,051	-	-	902	902
Due to brokers - payable for securities purchased	-	-	12,977	12,977	-	-	7,648	7,648
Financial liabilities at fair value through profit or loss	-	-	-	-	-	26,010	-	26,010
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>31,649</b>	<b>31,649</b>	<b>621</b>	<b>26,010</b>	<b>21,831</b>	<b>48,462</b>
<b>Net assets attributable to unitholders (liability)</b>	<b>1,576</b>	<b>1,604,827</b>	<b>(8,731)</b>	<b>1,597,672</b>	<b>4,006</b>	<b>1,510,647</b>	<b>(8,920)</b>	<b>1,505,733</b>
<b>Net exposure</b>	<b>1,576</b>	<b>1,604,827</b>	<b>(8,731)</b>	<b>1,597,672</b>	<b>4,006</b>	<b>1,510,647</b>	<b>(8,920)</b>	<b>1,505,733</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Cash flow and fair value interest rate risk (continued)

Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)								
	30 Jun 2024				30 Jun 2023			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Assets</b>								
Cash and cash equivalents	12,473	-	-	12,473	10,106	-	-	10,106
Margin accounts	244	-	-	244	1,189	-	-	1,189
Receivables	-	-	707	707	-	-	1,069	1,069
Due from brokers - receivable for securities sold	-	-	11,723	11,723	-	-	10,008	10,008
Financial assets at fair value through profit or loss	37,004	851,433	14,505	902,942	34,451	760,453	35,488	830,392
<b>Total assets</b>	<b>49,721</b>	<b>851,433</b>	<b>26,935</b>	<b>928,089</b>	<b>45,746</b>	<b>760,453</b>	<b>46,565</b>	<b>852,764</b>
<b>Liabilities</b>								
Margin accounts	3,910	-	-	3,910	5,526	-	-	5,526
Distribution payable	-	-	27,869	27,869	-	-	5,928	5,928
Payables	-	-	279	279	-	-	357	357
Due to brokers - payable for securities purchased	-	-	15,441	15,441	-	-	10,829	10,829
Financial liabilities at fair value through profit or loss	-	16	10,788	10,804	-	232	27,383	27,615
<b>Total liabilities</b>	<b>3,910</b>	<b>16</b>	<b>54,377</b>	<b>58,303</b>	<b>5,526</b>	<b>232</b>	<b>44,497</b>	<b>50,255</b>
<b>Net assets attributable to unitholders (liability)</b>	<b>45,811</b>	<b>851,417</b>	<b>(27,442)</b>	<b>869,786</b>	<b>40,220</b>	<b>760,221</b>	<b>2,068</b>	<b>802,509</b>
Net increase/(decrease) in exposure from Australian interest rate futures	-	(341)	-	(341)	-	(1,273)	-	(1,273)
Net increase/(decrease) in exposure from International interest rate futures	-	4,362	-	4,362	-	17,716	-	17,716
<b>Net exposure</b>	<b>45,811</b>	<b>855,438</b>	<b>(27,442)</b>	<b>873,807</b>	<b>40,220</b>	<b>776,664</b>	<b>2,068</b>	<b>818,952</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Cash flow and fair value interest rate risk (continued)

Vanguard Global Aggregate Bond Index Fund (Hedged)								
	30 Jun 2024				30 Jun 2023			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>								
Cash and cash equivalents	127,230	-	-	127,230	86,657	-	-	86,657
Margin accounts	1,162	-	-	1,162	32,956	-	-	32,956
Receivables	-	-	10,012	10,012	-	-	5,200	5,200
Due from brokers - receivable for securities sold	-	-	48,483	48,483	-	-	112,348	112,348
Financial assets at fair value through profit or loss	342,177	8,640,411	137,281	9,119,869	292,285	7,520,530	228,662	8,041,477
<b>Total assets</b>	<b>470,569</b>	<b>8,640,411</b>	<b>195,776</b>	<b>9,306,756</b>	<b>411,898</b>	<b>7,520,530</b>	<b>346,210</b>	<b>8,278,638</b>
<b>Liabilities</b>								
Margin accounts	23,895	-	-	23,895	112,606	-	-	112,606
Distribution payable	-	-	56,276	56,276	-	-	47,142	47,142
Payables	-	-	74,304	74,304	-	-	5,946	5,946
Due to brokers - payable for securities purchased	-	-	160,952	160,952	-	-	248,616	248,616
Financial liabilities at fair value through profit or loss	-	416	28,244	28,660	-	6,021	90,960	96,981
<b>Total liabilities</b>	<b>23,895</b>	<b>416</b>	<b>319,776</b>	<b>344,087</b>	<b>112,606</b>	<b>6,021</b>	<b>392,664</b>	<b>511,291</b>
<b>Net assets attributable to unitholders (liability)</b>	<b>446,674</b>	<b>8,639,995</b>	<b>(124,000)</b>	<b>8,962,669</b>	<b>299,292</b>	<b>7,514,509</b>	<b>(46,454)</b>	<b>7,767,347</b>
Net increase/(decrease) in exposure from International interest rate futures	-	10,779	-	10,779	-	9,157	-	9,157
<b>Net exposure</b>	<b>446,674</b>	<b>8,650,774</b>	<b>(124,000)</b>	<b>8,973,448</b>	<b>299,292</b>	<b>7,523,666</b>	<b>(46,454)</b>	<b>7,776,504</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Cash flow and fair value interest rate risk (continued)

Vanguard International Credit Securities Index Fund (Hedged)								
	30 Jun 2024				30 Jun 2023			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>								
Cash and cash equivalents	6,916	-	-	6,916	4,737	-	-	4,737
Margin accounts	275	-	-	275	373	-	-	373
Receivables	-	-	277	277	-	-	465	465
Due from brokers - receivable for securities sold	-	-	3,590	3,590	-	-	5,857	5,857
Financial assets at fair value through profit or loss	58,606	487,227	7,334	553,167	50,033	451,831	14,202	516,066
<b>Total assets</b>	<b>65,797</b>	<b>487,227</b>	<b>11,201</b>	<b>564,225</b>	<b>55,143</b>	<b>451,831</b>	<b>20,524</b>	<b>527,498</b>
<b>Liabilities</b>								
Margin accounts	1,352	-	-	1,352	400	-	-	400
Distribution payable	-	-	4,072	4,072	-	-	3,962	3,962
Payables	-	-	416	416	-	-	4,560	4,560
Due to brokers - payable for securities purchased	-	-	9,547	9,547	-	-	8,174	8,174
Financial liabilities at fair value through profit or loss	-	23	1,580	1,603	-	68	5,903	5,971
<b>Total liabilities</b>	<b>1,352</b>	<b>23</b>	<b>15,615</b>	<b>16,990</b>	<b>400</b>	<b>68</b>	<b>22,599</b>	<b>23,067</b>
<b>Net assets attributable to unitholders (liability)</b>	<b>64,445</b>	<b>487,204</b>	<b>(4,414)</b>	<b>547,235</b>	<b>54,743</b>	<b>451,763</b>	<b>(2,075)</b>	<b>504,431</b>
Net increase/(decrease) in exposure from Australian interest rate futures	-	(227)	-	(227)	-	(576)	-	(576)
Net increase/(decrease) in exposure from International interest rate futures	-	(47)	-	(47)	-	1,883	-	1,883
<b>Net exposure</b>	<b>64,445</b>	<b>486,930</b>	<b>(4,414)</b>	<b>546,961</b>	<b>54,743</b>	<b>453,070</b>	<b>(2,075)</b>	<b>505,738</b>



# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Cash flow and fair value interest rate risk (continued)

Vanguard International Fixed Interest Index Fund (Hedged)								
	30 Jun 2024				30 Jun 2023			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Assets</b>								
Cash and cash equivalents	10,937	-	-	10,937	20,467	-	-	20,467
Margin accounts	79	-	-	79	12,899	-	-	12,899
Receivables	-	-	1,405	1,405	-	-	3,571	3,571
Due from brokers - receivable for securities sold	-	-	22,779	22,779	-	-	17,580	17,580
Financial assets at fair value through profit or loss	-	1,985,808	41,878	2,027,686	-	2,083,409	73,225	2,156,634
<b>Total assets</b>	<b>11,016</b>	<b>1,985,808</b>	<b>66,062</b>	<b>2,062,886</b>	<b>33,366</b>	<b>2,083,409</b>	<b>94,376</b>	<b>2,211,151</b>
<b>Liabilities</b>								
Margin accounts	7,391	-	-	7,391	23,810	-	-	23,810
Distribution payable	-	-	10,580	10,580	-	-	9,012	9,012
Payables	-	-	4,057	4,057	-	-	2,590	2,590
Due to brokers - payable for securities purchased	-	-	40,636	40,636	-	-	76,321	76,321
Financial liabilities at fair value through profit or loss	-	-	7,567	7,567	-	-	24,630	24,630
<b>Total liabilities</b>	<b>7,391</b>	<b>-</b>	<b>62,840</b>	<b>70,231</b>	<b>23,810</b>	<b>-</b>	<b>112,553</b>	<b>136,363</b>
<b>Net assets attributable to unitholders (liability)</b>	<b>3,625</b>	<b>1,985,808</b>	<b>3,222</b>	<b>1,992,655</b>	<b>9,556</b>	<b>2,083,409</b>	<b>(18,177)</b>	<b>2,074,788</b>
<b>Net exposure</b>	<b>3,625</b>	<b>1,985,808</b>	<b>3,222</b>	<b>1,992,655</b>	<b>9,556</b>	<b>2,083,409</b>	<b>(18,177)</b>	<b>2,074,788</b>

The tables presented in note 3(b) summarise the impact of an increase/decrease of interest rates of each Funds' operating profit and net assets attributable to unitholders through changes in fair value or changes in future cash flows.

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (b) Summarised sensitivity analysis

The following tables summarise the sensitivity of the Funds' operating profit and net assets attributable to unitholders to interest rate risk and foreign exchange risk. The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates and foreign exchange rates as well as the indices that the individual Funds are designed to track. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of the economies, markets and securities in which the Funds invest. As a result, historic variations in risk variables are not a definitive indicator of future variations in the risk variables.

The Funds have made changes in determining the interest rate risk reasonable possible movements compared to the comparative period as a result of the change in the market volatility, specifically the interest environment. The interest rate risk reasonable possible movements are determined based on the assumption that interest rates changed by 100 basis point from the year end during the period as compared to using the movements of Reserve Bank of Australia (RBA) cash rate. The Funds have not made any other changes to the methods used to determine its sensitivity to the market risk compared to the comparative period. Foreign exchange risk reasonable possible movements are determined using RBA foreign exchange rates for each currency published during the reporting period.

Impact on operating profit/(loss) and net assets attributable to unitholders												
Vanguard Australian Inflation-Linked Bond Index Fund		Vanguard Short Term Fixed Interest Fund		Vanguard Cash Reserve Fund		Vanguard Australian Corporate Fixed Interest Index Fund		Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund		
Interest rate risk		Interest rate risk		Interest rate risk		Interest rate risk		Interest rate risk		Interest rate risk		
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	
-100bps	+100bps	-100bps	+100bps	-100bps	+100bps	-100bps	+100bps	-100bps	+100bps	-100bps	+100bps	
30 Jun 2024	2,932	(2,932)	2,203	(2,203)	5,430	(5,430)	8,448	(8,448)	79,137	(79,137)	16,064	(16,064)
	0bps	+278bps	0bps	+278bps	0bps	+278bps	0bps	+278bps	0bps	+278bps	0bps	+278bps
30 Jun 2023	-	(10,766)	-	(6,680)	-	(17,454)	-	(23,733)	-	(199,625)	-	(42,107)

Impact on operating profit/(loss) and net assets attributable to unitholders												
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)												
Interest rate risk				Foreign exchange risk								
		Canadian Dollar		Euro		New Zealand Dollar		US Dollar		Other currencies		
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	
-100bps	+100bps	0%	+6%	-1%	+5%	-1%	+3%	-4%	+5%	-1%	+8%	
30 Jun 2024	8,972	(8,972)	-	1,587	(2,529)	12,643	(23)	68	(18,254)	22,818	(1,412)	11,291
		British Pound		Japanese Yen		New Zealand Dollar		US Dollar		Other currencies		
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	
0bps	+278bps	-17%	+1%	-2%	+9%	-5%	+3%	-8%	+6%	-10%	+3%	
30 Jun 2023	-	(22,252)	(4,917)	289	(1,223)	5,502	(766)	460	(31,944)	23,958	(28,276)	8,483

Impact on operating profit/(loss) and net assets attributable to unitholders												
Vanguard Global Aggregate Bond Index Fund (Hedged)												
Interest rate risk				Foreign exchange risk								
		Euro		Japanese Yen		Swedish Krona		US Dollar		Other currencies		
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	
-100bps	+100bps	-1%	+5%	0%	+13%	-3%	+5%	-4%	+5%	-1%	+6%	
30 Jun 2024	90,867	(90,867)	(24,226)	121,128	-	70,615	(1,239)	2,066	(187,644)	234,555	(11,782)	70,675

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (b) Summarised sensitivity analysis (continued)

			Canadian Dollar		Euro		Israeli New Shekel		US Dollar		Other currencies	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
	0bps	+278bps	-8%	+2%	-15%	+2%	-1%	+11%	-8%	+6%	-10%	+4%
30 Jun 2023	-	(217,224)	(18,479)	4,620	(300,811)	40,108	(135)	1,486	(317,028)	237,771	(130,750)	52,300

#### Impact on operating profit/(loss) and net assets attributable to unitholders

Vanguard International Credit Securities Index Fund (Hedged)

			Canadian Dollar		Euro		British Pound		US Dollar		Other currencies	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
	-100bps	+100bps	0%	+6%	-1%	+5%	-2%	+4%	-4%	+5%	-1%	+7%
30 Jun 2024	5,516	(5,516)	-	2,056	(1,583)	7,915	(407)	814	(12,133)	15,166	(184)	1,286

			Euro		Japanese Yen		Korean Won		US Dollar		Other currencies	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
	0bps	+278bps	-15%	+2%	-2%	+9%	-8%	+2%	-8%	+6%	-7%	+4%
30 Jun 2023	-	(14,081)	(21,132)	2,818	(166)	748	(280)	70	(22,310)	16,732	(4,040)	2,310

#### Impact on operating profit/(loss) and net assets attributable to unitholders

Vanguard International Fixed Interest Index Fund (Hedged)

			Euro		British Pound		Indonesian Rupiah		Japanese Yen		Other currencies	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
	-100bps	+100bps	-1%	+5%	-2%	+4%	-1%	+10%	0%	+13%	-2%	+7%
30 Jun 2024	19,894	(19,894)	(5,039)	25,193	(2,392)	4,785	(181)	1,805	-	48,556	(19,107)	66,875

			Euro		Japanese Yen		Korean Won		US Dollar		Other currencies	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
	0bps	+278bps	-15%	+2%	-2%	+9%	-8%	+2%	-8%	+6%	-10%	+3%
30 Jun 2023	-	(58,184)	(74,238)	9,898	(9,124)	41,059	(3,042)	761	(58,244)	43,683	(28,559)	8,566

### (c) Credit risk

The Funds are exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due.

The main concentration of credit risk, to which the Funds are exposed, arises from the Funds' investments in debt securities. The Funds are also exposed to counterparty credit risk on derivative financial instruments, cash and cash equivalents, amounts due from brokers and other receivables. No loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Funds.

For Funds which invest in forward exchange contracts there is risk associated with unrealised profits.

Credit risk is managed by ensuring that:

- counterparties with respective credit limits are approved by the Responsible Entity; and
- transactions are undertaken with a number of counterparties.

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (c) Credit risk (continued)

The Funds invest in fixed interest securities and money market securities which have credit ratings as rated by well-known rating agencies. For unrated fixed interest securities a rating is assigned by the investment manager using an approach that is consistent with the approach used by rating agencies.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. There were no significant concentrations of credit risk to counterparties for derivatives at 30 June 2024 or 30 June 2023.

#### (i) Debt securities

There is credit risk associated with debt securities. Vanguard seeks to reduce this risk by selecting only debt securities with a sufficiently high credit rating and by diversifying the Funds' holding across issuers.

Vanguard will try to minimise the credit risk associated with holding bonds by primarily holding government and supranational (issued by government-owned or government-guaranteed entities) bonds or other investment-grade entities. Investment-grade issuers are defined as those rated BBB- or higher by Standard & Poor's or Baa3 or higher by Moody's. An analysis of debt by rating is set out in the tables below.

Rating	Vanguard Australian Inflation-Linked Bond Index Fund		Vanguard Short Term Fixed Interest Fund		Vanguard Cash Reserve Fund		Vanguard Australian Corporate Fixed Interest Index Fund	
	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000
AAA	293,085	385,630	34,941	43,834	200,043	178,902	186,194	216,629
AA+	-	-	1,515	-	9,802	30,363	38,313	20,970
AA	-	-	-	-	25,237	-	18,072	41,293
AA-	-	-	84,866	107,147	120,823	194,401	181,205	152,953
A+	-	-	27,719	43,407	35,902	138,597	75,510	67,146
A	-	-	24,592	22,438	21,086	33,886	36,663	36,086
A-	-	-	5,295	4,743	34,536	-	97,199	82,398
A-1+	-	-	30,495	18,700	42,673	32,635	-	-
A-1	-	-	5,881	-	30,892	18,962	-	-
BBB+	-	-	-	-	-	-	123,655	144,922
BBB	-	-	-	-	-	-	78,111	78,158
BBB-	-	-	-	-	-	-	9,442	12,011
Not Rated	-	-	4,937	-	21,966	-	-	-
<b>Total</b>	<b>293,085</b>	<b>385,630</b>	<b>220,241</b>	<b>240,269</b>	<b>542,960</b>	<b>627,746</b>	<b>844,364</b>	<b>852,566</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (c) Credit risk (continued)

#### (i) Debt securities (continued)

Rating	Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund		Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
AAA	4,836,734	4,729,912	1,041,669	1,047,153	293,352	348,719
AA+	1,532,858	1,212,935	370,489	302,977	122,065	64,457
AA	756,399	650,390	179,934	150,121	29,409	27,039
AA-	289,542	180,228	12,735	10,396	85,749	70,729
A+	111,627	91,432	-	-	59,864	54,299
A	46,479	31,780	-	-	57,577	63,121
A-	108,817	69,349	-	-	46,850	41,379
BBB+	134,929	132,122	-	-	39,743	37,599
BBB	88,186	73,425	-	-	67,168	64,210
BBB-	8,520	8,280	-	-	28,599	19,667
BB+	-	-	-	-	1,087	725
BB	-	-	-	-	69	36
Not Rated	-	-	-	-	56,871	2,789
<b>Total</b>	<b>7,914,091</b>	<b>7,179,853</b>	<b>1,604,827</b>	<b>1,510,647</b>	<b>888,403</b>	<b>794,769</b>

  

Rating	Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
AAA	1,247,829	3,106,942	63,234	57,421	223,254	939,150
AA+	2,701,574	617,504	39,320	31,874	764,438	43,004
AA	281,476	305,697	23,113	32,639	44,033	49,286
AA-	879,107	686,017	42,460	27,354	277,181	284,392
A+	618,345	585,596	49,637	51,275	222,063	256,645
A	613,459	583,770	44,765	42,419	222,944	277,559
A-	584,321	470,813	82,066	74,049	41,314	34,903
BBB+	540,854	521,248	77,588	71,615	42,952	51,460
BBB	765,805	659,689	75,892	68,882	124,103	130,686
BBB-	300,120	243,040	42,859	39,014	23,525	14,631
BB+	10,148	13,332	2,333	2,053	-	1,693
BB	137	-	36	73	-	-
Not Rated	439,101	13,168	2,518	3,117	1	-
<b>Total</b>	<b>8,982,276</b>	<b>7,806,816</b>	<b>545,821</b>	<b>501,785</b>	<b>1,985,808</b>	<b>2,083,409</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (c) Credit risk (continued)

#### (ii) Derivatives

The Responsible Entity has established counterparty limits such that, at any time, exposure to derivative financial instruments equivalent to less than 5% of the value of a Fund are with any individual counterparty, and all contracts are with counterparties included in the Board's approved counterparties list.

The Funds also restrict their exposure to credit losses on derivative instruments they hold by entering into master netting arrangements with counterparts with whom they undertake a significant volume of transactions. Master netting arrangements do not result in an offset of balance sheet assets and liabilities unless transactions are settled on a net basis. However, the credit risk associated with favourable contracts is reduced by master netting arrangements to the extent that if an event of default occurs, all amounts with the counterparty are closed and settled on a net basis. The Funds' overall exposure to credit risk on derivative instruments subject to master netting arrangements can change substantially within a short period, as it is affected by each transaction subject to the arrangements. The Funds' agreements with derivative counterparties are based on the International Swaps and Derivatives Association, Inc. (ISDA) Master Agreement. Under the terms of these arrangements, only where certain credit events occur (such as default), the net position owing/receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements terminated. As the Funds do not presently have a legally enforceable right of set-off, these amounts have not been offset and are presented gross in the balance sheet.

During the year, the Funds could enter into collateral arrangements for forward foreign exchange contracts, repurchase agreements and reverse repurchase agreements to assist in enhancing returns in a risk controlled environment for the cash flow management of the Funds. Refer to note 7 for the balances in relation to these arrangements as of year end.

In accordance with the Responsible Entity's derivatives policy, the Responsible Entity monitors the Funds' exposures on a daily basis, which the Board of Directors reviews quarterly. The derivatives policy is subject to annual review.

During the year, Vanguard Australian Fixed Interest Index Fund, Vanguard Global Aggregate Bond Index Fund, Vanguard Ethically Conscious Global Aggregate Bond Index and Vanguard International Credit Securities Index Fund could enter into agreement for securities to qualify as another eligible credit support on derivatives transactions under which legal title to some of the Funds' financial assets such as debt securities are transferred to a counterparty.

The risks and benefits of the transferred assets remain with the Funds, because the Funds continue to enjoy the risks and benefits of the assets and have not been derecognised (i.e. treated as having been sold).

Details of all open transactions at year end are disclosed in note 19.

#### (iii) Settlement of securities transactions

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

#### (iv) Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a rating of A-1 or higher short-term Standard & Poor's credit ratings (or Moody's equivalent).

#### (v) Other

The Funds are not materially exposed to credit risk on other financial assets. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of the financial assets.

The clearing and depository operations for the Funds' security transactions are mainly concentrated with one counterparty, namely JPM Chase Bank, N.A., Sydney Branch. JPM Chase Bank, N.A., Sydney Branch, is a member of a major securities exchange, and at 30 June 2024 had a credit rating of A-1 (30 June 2023: A-1). At 30 June 2024, substantially all cash and cash equivalents, balances due from brokers and investments are held in custody by JPM Chase Bank, N.A., Sydney Branch.

### (d) Liquidity risk

Liquidity risk is the risk that the Funds may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (d) Liquidity risk (continued)

The Funds are exposed to daily cash redemptions of redeemable units. The Funds primarily hold investments that are traded in active markets and can be readily disposed. The Funds' financial instruments include investments in fixed interest securities, money market securities and derivative contracts traded over-the-counter and on an exchange. The Funds may use futures to gain market exposure without investing directly in the securities. This allows the Funds to maintain liquidity without being under-invested in their respective investment policies. The derivatives are not used to leverage the Funds' portfolios.

The tables below analyse the Funds' non-derivative financial liabilities and net settled derivative financial instruments based on their contractual maturity. The Funds may at their discretion, settle financial instruments prior to their original contractual settlement date, in accordance with its investment strategy, where permitted by the terms and conditions of the relevant instruments. The amounts in the tables are the contractual undiscounted cash flows.

Vanguard Australian Inflation-Linked Bond Index Fund										
30 Jun 2024						30 Jun 2023				
Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000		Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Distribution payable	1,401	-	-	-	1,401	1,414	-	-	-	1,414
Payables	239	-	-	-	239	106	-	-	-	106
Due to brokers - payable for securities purchased	815	-	-	-	815	2,292	-	-	-	2,292
<b>Total liabilities</b>	<b>2,455</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,455</b>	<b>3,812</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,812</b>

Vanguard Short Term Fixed Interest Fund										
30 Jun 2024						30 Jun 2023				
Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000		Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Distribution payable	793	-	-	-	793	504	-	-	-	504
Payables	297	-	-	-	297	354	-	-	-	354
<b>Total liabilities</b>	<b>1,090</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,090</b>	<b>858</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>858</b>

Vanguard Cash Reserve Fund										
30 Jun 2024						30 Jun 2023				
Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000		Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Margin accounts	-	-	-	-	-	324	-	-	-	324
Distribution payable	1,160	-	-	-	1,160	2,242	-	-	-	2,242
Payables	4,298	-	-	-	4,298	5,712	-	-	-	5,712
<b>Total liabilities</b>	<b>5,458</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,458</b>	<b>8,278</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,278</b>

Vanguard Australian Corporate Fixed Interest Index Fund										
30 Jun 2024						30 Jun 2023				
Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000		Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Distribution payable	7,508	-	-	-	7,508	3,417	-	-	-	3,417
Payables	1,735	-	-	-	1,735	5,515	-	-	-	5,515
Due to brokers - payable for securities purchased	-	-	-	-	-	1,561	-	-	-	1,561
Net assets attributable to unitholders	842,480	-	-	-	842,480	852,738	-	-	-	852,738
<b>Total liabilities (excluding derivatives)</b>	<b>851,723</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>851,723</b>	<b>863,231</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>863,231</b>

Australian fixed interest futures	-	-	-	-	-	-	7	-	-	7
<b>Net settled derivatives</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>7</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (d) Liquidity risk (continued)

Vanguard Australian Fixed Interest Index Fund										
	30 Jun 2024					30 Jun 2023				
	Less than 1 month	1-6 months	6-12 months	1-3 years	Total	Less than 1 month	1-6 months	6-12 months	1-3 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial liabilities at fair value through profit or loss	-	-	-	-	-	107,430	-	-	-	107,430
Bank overdraft	421	-	-	-	421	-	-	-	-	-
Margin accounts	-	-	-	-	-	2,504	-	-	-	2,504
Distribution payable	71,313	-	-	-	71,313	19,520	-	-	-	19,520
Payables	12,391	-	-	-	12,391	7,218	-	-	-	7,218
Due to brokers - payable for securities purchased	66,468	-	-	-	66,468	47,275	-	-	-	47,275
Net assets attributable to unitholders	7,831,716	-	-	-	7,831,716	7,155,883	-	-	-	7,155,883
<b>Total liabilities</b>	<b>7,982,309</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,982,309</b>	<b>7,339,830</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,339,830</b>

Vanguard Australian Government Bond Index Fund										
	30 Jun 2024					30 Jun 2023				
	Less than 1 month	1-6 months	6-12 months	1-3 years	Total	Less than 1 month	1-6 months	6-12 months	1-3 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial liabilities at fair value through profit or loss	-	-	-	-	-	26,010	-	-	-	26,010
Margin accounts	-	-	-	-	-	621	-	-	-	621
Distribution payable	15,621	-	-	-	15,621	13,281	-	-	-	13,281
Payables	3,051	-	-	-	3,051	902	-	-	-	902
Due to brokers - payable for securities purchased	12,977	-	-	-	12,977	7,648	-	-	-	7,648
Net assets attributable to unitholders	1,597,672	-	-	-	1,597,672	1,505,733	-	-	-	1,505,733
<b>Total liabilities</b>	<b>1,629,321</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,629,321</b>	<b>1,554,195</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,554,195</b>

Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)										
	30 Jun 2024					30 Jun 2023				
	Less than 1 month	1-6 months	6-12 months	3+ years	Total	Less than 1 month	1-6 months	6-12 months	3+ years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-	-	-	122	122
Margin accounts	3,910	-	-	-	3,910	5,526	-	-	-	5,526
Distribution payable	27,869	-	-	-	27,869	5,928	-	-	-	5,928
Payables	279	-	-	-	279	357	-	-	-	357
Due to brokers - payable for securities purchased	15,441	-	-	-	15,441	10,829	-	-	-	10,829
Net assets attributable to unitholders	869,786	-	-	-	869,786	802,509	-	-	-	802,509
<b>Total liabilities (excluding derivatives)</b>	<b>917,285</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>917,285</b>	<b>825,149</b>	<b>-</b>	<b>-</b>	<b>122</b>	<b>825,271</b>
Australian fixed interest futures	-	-	-	-	-	-	1	-	-	1
International fixed interest futures	-	16	-	-	16	82	27	-	-	109
<b>Net settled derivatives</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>82</b>	<b>28</b>	<b>-</b>	<b>-</b>	<b>110</b>



# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (d) Liquidity risk (continued)

Vanguard Global Aggregate Bond Index Fund (Hedged)										
	30 Jun 2024					30 Jun 2023				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	3+ years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	3+ years \$'000	Total \$'000
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-	-	-	5,990	5,990
Margin accounts	23,895	-	-	-	23,895	112,606	-	-	-	112,606
Distribution payable	56,276	-	-	-	56,276	47,142	-	-	-	47,142
Payables	74,304	-	-	-	74,304	5,946	-	-	-	5,946
Due to brokers - payable for securities purchased	160,952	-	-	-	160,952	248,616	-	-	-	248,616
Net assets attributable to unitholders	8,962,669	-	-	-	8,962,669	7,767,347	-	-	-	7,767,347
<b>Total liabilities (excluding derivatives)</b>	<b>9,278,096</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,278,096</b>	<b>8,181,657</b>	<b>-</b>	<b>-</b>	<b>5,990</b>	<b>8,187,647</b>
International fixed interest futures	-	416	-	-	416	31	-	-	-	31
<b>Net settled derivatives</b>	<b>-</b>	<b>416</b>	<b>-</b>	<b>-</b>	<b>416</b>	<b>31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31</b>

Vanguard International Credit Securities Index Fund (Hedged)										
	30 Jun 2024					30 Jun 2023				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	3+ years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	3+ years \$'000	Total \$'000
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-	-	-	16	16
Margin accounts	1,352	-	-	-	1,352	400	-	-	-	400
Distribution payable	4,072	-	-	-	4,072	3,962	-	-	-	3,962
Payables	416	-	-	-	416	4,560	-	-	-	4,560
Due to brokers - payable for securities purchased	9,547	-	-	-	9,547	8,174	-	-	-	8,174
Net assets attributable to unitholders	547,235	-	-	-	547,235	504,431	-	-	-	504,431
<b>Total liabilities (excluding derivatives)</b>	<b>562,622</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>562,622</b>	<b>521,527</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>521,543</b>
International fixed interest futures	-	23	-	-	23	1	51	-	-	52
<b>Net settled derivatives</b>	<b>-</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>23</b>	<b>1</b>	<b>51</b>	<b>-</b>	<b>-</b>	<b>52</b>

Vanguard International Fixed Interest Index Fund (Hedged)										
	30 Jun 2024					30 Jun 2023				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Margin accounts	7,391	-	-	-	7,391	23,810	-	-	-	23,810
Distribution payable	10,580	-	-	-	10,580	9,012	-	-	-	9,012
Payables	4,057	-	-	-	4,057	2,590	-	-	-	2,590
Due to brokers - payable for securities purchased	40,636	-	-	-	40,636	76,321	-	-	-	76,321
Net assets attributable to unitholders	1,992,655	-	-	-	1,992,655	2,074,788	-	-	-	2,074,788
<b>Total liabilities</b>	<b>2,055,319</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,055,319</b>	<b>2,186,521</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,186,521</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (d) Liquidity risk (continued)

#### Maturities of gross-settled derivative financial instruments

The tables below analyse the Funds' gross-settled derivative financial instruments based on their contractual maturity. The Funds may at their discretion, settle financial instruments prior to their original contractual settlement date, in accordance with its investment strategy, where permitted by the terms and conditions of the relevant instruments.

Vanguard Australian Corporate Fixed Interest Index Fund										
	30 Jun 2024					30 Jun 2023				
	Less than 1 month	1-6 months	6-12 months	1-3 years	Total	Less than 1 month	1-6 months	6-12 months	1-3 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Derivative										
Inflows	120	-	-	-	120	25	-	-	-	25
(Outflows)	(120)	-	-	-	(120)	(25)	-	-	-	(25)
<b>Net</b>	-	-	-	-	-	-	-	-	-	-

Vanguard Australian Fixed Interest Index Fund										
	30 Jun 2024					30 Jun 2023				
	Less than 1 month	1-6 months	6-12 months	1-3 years	Total	Less than 1 month	1-6 months	6-12 months	1-3 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Derivative										
Inflows	-	-	-	-	-	380	-	-	-	380
(Outflows)	-	-	-	-	-	(380)	-	-	-	(380)
<b>Net</b>	-	-	-	-	-	-	-	-	-	-

Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)										
	30 Jun 2024					30 Jun 2023				
	Less than 1 month	1-6 months	6-12 months	1-3 years	Total	Less than 1 month	1-6 months	6-12 months	1-3 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Derivative										
Inflows	5,509,772	2,712,189	-	-	8,221,961	4,882,043	2,483,801	-	-	7,365,844
(Outflows)	(5,508,951)	(2,709,293)	-	-	(8,218,244)	(4,877,734)	(2,480,005)	-	-	(7,357,739)
<b>Net</b>	821	2,896	-	-	3,717	4,309	3,796	-	-	8,105

Vanguard Global Aggregate Bond Index Fund (Hedged)										
	30 Jun 2024					30 Jun 2023				
	Less than 1 month	1-6 months	6-12 months	1-3 years	Total	Less than 1 month	1-6 months	6-12 months	1-3 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Derivative										
Inflows	26,454,743	13,099,435	-	-	39,554,178	22,871,066	11,394,788	-	-	34,265,854
(Outflows)	(26,368,142)	(13,076,999)	-	-	(39,445,141)	(22,757,235)	(11,370,917)	-	-	(34,128,152)
<b>Net</b>	86,601	22,436	-	-	109,037	113,831	23,871	-	-	137,702

Vanguard International Credit Securities Index Fund (Hedged)										
	30 Jun 2024					30 Jun 2023				
	Less than 1 month	1-6 months	6-12 months	1-3 years	Total	Less than 1 month	1-6 months	6-12 months	1-3 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Derivative										
Inflows	1,532,348	767,209	-	-	2,299,557	1,496,856	718,078	-	-	2,214,934
(Outflows)	(1,528,113)	(765,690)	-	-	(2,293,803)	(1,489,593)	(717,042)	-	-	(2,206,635)
<b>Net</b>	4,235	1,519	-	-	5,754	7,263	1,036	-	-	8,299

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 3 Financial risk management (continued)

### (d) Liquidity risk (continued)

#### Maturities of gross-settled derivative financial instruments (continued)

	Vanguard International Fixed Interest Index Fund (Hedged)									
	30 Jun 2024					30 Jun 2023				
	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	1-3 years \$'000	Total \$'000
Derivative										
Inflows	6,837,316	3,228,561	-	-	10,065,877	6,662,454	3,330,997	-	-	9,993,451
(Outflows)	(6,808,063)	(3,223,503)	-	-	(10,031,566)	(6,620,340)	(3,324,516)	-	-	(9,944,856)
<b>Net</b>	<b>29,253</b>	<b>5,058</b>	<b>-</b>	<b>-</b>	<b>34,311</b>	<b>42,114</b>	<b>6,481</b>	<b>-</b>	<b>-</b>	<b>48,595</b>

## 4 Offsetting financial assets and financial liabilities

Financial assets and liabilities are reported on a gross basis in the balance sheets. The Funds do not presently have a legally enforceable right to offset these amounts. The gross and net positions of financial assets and liabilities for Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged), Vanguard Global Aggregate Bond Index Fund (Hedged), Vanguard International Credit Securities Index Fund (Hedged) and Vanguard International Fixed Interest Index Fund (Hedged) are disclosed in the table below, amounts for all other funds are immaterial as of 30 June 2024 and 30 June 2023.

30 Jun 2024	Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)					
Effects of Offsetting on the balance sheet			Related amounts not offset			
	Gross amounts	Gross amounts set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to master netting arrangements	Cash collateral	Net amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets						
Derivative financial instruments	14,505	-	14,505	(7,052)	(2,054)	5,399
Total	14,505	-	14,505	(7,052)	(2,054)	5,399
Financial liabilities						
Derivative financial instruments	10,788	-	10,788	(7,052)	-	3,736
Total	10,788	-	10,788	(7,052)	-	3,736

30 Jun 2023	Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)					
	Effects of Offsetting on the balance sheet			Related amounts not offset		
	Gross amounts	Gross amounts set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to master netting arrangements	Cash collateral	Net amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>						
Derivative financial instruments	35,488	-	35,488	(22,449)	(2,507)	10,532
<b>Total</b>	35,488	-	35,488	(22,449)	(2,507)	10,532
<b>Financial liabilities</b>						
Derivative financial instruments	27,383	-	27,383	(22,449)	-	4,934
<b>Total</b>	27,383	-	27,383	(22,449)	-	4,934

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 4 Offsetting financial assets and financial liabilities (continued)

30 Jun 2024						
Vanguard Global Aggregate Bond Index Fund (Hedged)						
Effects of Offsetting on the balance sheet				Related amounts not offset		
	Gross amounts	Gross amounts set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to master netting arrangements	Cash collateral	Net amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets						
Derivative financial instruments	137,281	-	137,281	(28,240)	(22,029)	87,012
Total	137,281	-	137,281	(28,240)	(22,029)	87,012
Financial liabilities						
Derivative financial instruments	28,244	-	28,244	(28,240)	-	4
Total	28,244	-	28,244	(28,240)	-	4
30 Jun 2023						
Vanguard Global Aggregate Bond Index Fund (Hedged)						
Effects of Offsetting on the balance sheet				Related amounts not offset		
	Gross amounts	Gross amounts set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to master netting arrangements	Cash collateral	Net amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets						
Derivative financial instruments	228,662	-	228,662	(44,910)	(107,437)	76,315
Total	228,662	-	228,662	(44,910)	(107,437)	76,315
Financial liabilities						
Derivative financial instruments	90,960	-	90,960	(44,910)	(26,867)	19,183
Total	90,960	-	90,960	(44,910)	(26,867)	19,183
30 Jun 2024						
Vanguard International Credit Securities Index Fund (Hedged)						
Effects of Offsetting on the balance sheet				Related amounts not offset		
	Gross amounts	Gross amounts set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to master netting arrangements	Cash collateral	Net amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets						
Derivative financial instruments	7,334	-	7,334	(1,580)	(1,101)	4,653
Total	7,334	-	7,334	(1,580)	(1,101)	4,653
Financial liabilities						
Derivative financial instruments	1,580	-	1,580	(1,580)	-	-
Total	1,580	-	1,580	(1,580)	-	-

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 4 Offsetting financial assets and financial liabilities (continued)

30 Jun 2023						
Vanguard International Credit Securities Index Fund (Hedged)						
Effects of Offsetting on the balance sheet				Related amounts not offset		
	Gross amounts	Gross amounts set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to master netting arrangements	Cash collateral	Net amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>						
Derivative financial instruments	14,202	-	14,202	(1,676)	(400)	12,126
<b>Total</b>	14,202	-	14,202	(1,676)	(400)	12,126
<b>Financial liabilities</b>						
Derivative financial instruments	5,903	-	5,903	(1,676)	-	4,227
<b>Total</b>	5,903	-	5,903	(1,676)	-	4,227
30 Jun 2024						
Vanguard International Fixed Interest Index Fund (Hedged)						
Effects of Offsetting on the balance sheet				Related amounts not offset		
	Gross amounts	Gross amounts set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to master netting arrangements	Cash collateral	Net amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>						
Derivative financial instruments	41,878	-	41,878	(7,565)	(6,469)	27,844
<b>Total</b>	41,878	-	41,878	(7,565)	(6,469)	27,844
<b>Financial liabilities</b>						
Derivative financial instruments	7,567	-	7,567	(7,565)	-	2
<b>Total</b>	7,567	-	7,567	(7,565)	-	2
30 Jun 2023						
Vanguard International Fixed Interest Index Fund (Hedged)						
Effects of Offsetting on the balance sheet				Related amounts not offset		
	Gross amounts	Gross amounts set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to master netting arrangements	Cash collateral	Net amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>						
Derivative financial instruments	73,225	-	73,225	(12,946)	(23,810)	36,469
<b>Total</b>	73,225	-	73,225	(12,946)	(23,810)	36,469
<b>Financial liabilities</b>						
Derivative financial instruments	24,630	-	24,630	(12,946)	(10,844)	840
<b>Total</b>	24,630	-	24,630	(12,946)	(10,844)	840

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 5 Fair value measurement

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

- Financial assets / liabilities at fair value through profit or loss (FVPL) (see note 7 and 8)
- Derivative financial instruments (see note 9)

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

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

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

### (i) Fair value in an active market (level 1)

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

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

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

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

### (ii) Fair value in an inactive or unquoted market (level 2 and level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions. The carrying amounts of the Funds' assets and liabilities at the balance sheet date approximate their fair values.

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

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

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

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

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

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

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 5 Fair value measurement (continued)

### (ii) Fair value in an inactive or unquoted market (level 2 and level 3) (continued)

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

### Recognised fair value measurements

The following tables present the Funds' financial assets and liabilities (by asset class) measured at fair value according to the fair value hierarchy at 30 June 2024 and 30 June 2023.

Vanguard Australian Inflation-Linked Bond Index Fund								
	30 Jun 2024				30 Jun 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>								
Fixed interest securities	-	293,085	-	293,085	-	385,630	-	385,630
<b>Total</b>	-	293,085	-	293,085	-	385,630	-	385,630

Vanguard Short Term Fixed Interest Fund								
	30 Jun 2024				30 Jun 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	2	-	-	2	-	-	-	-
Fixed interest securities*	-	166,056	-	166,056	-	146,613	-	146,613
Money market securities	-	54,185	-	54,185	-	93,656	-	93,656
<b>Total</b>	2	220,241	-	220,243	-	240,269	-	240,269

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

Vanguard Cash Reserve Fund								
	30 Jun 2024				30 Jun 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	5	-	-	5	-	-	-	-
Fixed interest securities*	-	429,547	-	429,547	-	434,180	-	434,180
Money market securities	-	113,413	-	113,413	-	193,566	-	193,566
<b>Total</b>	5	542,960	-	542,965	-	627,746	-	627,746

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

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 5 Fair value measurement (continued)

### Recognised fair value measurements (continued)

Vanguard Australian Corporate Fixed Interest Index Fund								
	30 Jun 2024				30 Jun 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	22	-	-	22	19	-	-	19
Fixed interest securities*	-	843,126	-	843,126	-	849,429	-	849,429
Money market securities	-	1,238	-	1,238	-	3,137	-	3,137
<b>Total</b>	<b>22</b>	<b>844,364</b>	<b>-</b>	<b>844,386</b>	<b>19</b>	<b>852,566</b>	<b>-</b>	<b>852,585</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives	-	-	-	-	7	-	-	7
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>7</b>

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

Vanguard Australian Fixed Interest Index Fund								
	30 Jun 2024				30 Jun 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>								
Fixed interest securities*	-	7,910,464	-	7,910,464	-	7,283,790	-	7,283,790
Money market securities	-	3,627	-	3,627	-	3,493	-	3,493
<b>Total</b>	<b>-</b>	<b>7,914,091</b>	<b>-</b>	<b>7,914,091</b>	<b>-</b>	<b>7,287,283</b>	<b>-</b>	<b>7,287,283</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Fixed interest securities*	-	-	-	-	-	107,430	-	107,430
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>107,430</b>	<b>-</b>	<b>107,430</b>

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

Vanguard Australian Government Bond Index Fund								
	30 Jun 2024				30 Jun 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>								
Fixed interest securities*	-	1,604,827	-	1,604,827	-	1,536,657	-	1,536,657
<b>Total</b>	<b>-</b>	<b>1,604,827</b>	<b>-</b>	<b>1,604,827</b>	<b>-</b>	<b>1,536,657</b>	<b>-</b>	<b>1,536,657</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Fixed interest securities*	-	-	-	-	-	26,010	-	26,010
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,010</b>	<b>-</b>	<b>26,010</b>

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



# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 5 Fair value measurement (continued)

### Recognised fair value measurements (continued)

Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)								
30 Jun 2024				30 Jun 2023				
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	34	14,505	-	14,539	10	35,491	-	35,501
Fixed interest securities*	-	888,403	-	888,403	-	794,891	-	794,891
<b>Total</b>	<b>34</b>	<b>902,908</b>	<b>-</b>	<b>902,942</b>	<b>10</b>	<b>830,382</b>	<b>-</b>	<b>830,392</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives	16	10,788	-	10,804	109	27,384	-	27,493
Fixed interest securities	-	-	-	-	-	122	-	122
<b>Total</b>	<b>16</b>	<b>10,788</b>	<b>-</b>	<b>10,804</b>	<b>109</b>	<b>27,506</b>	<b>-</b>	<b>27,615</b>

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

Vanguard Global Aggregate Bond Index Fund (Hedged)								
30 Jun 2024				30 Jun 2023				
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	312	137,281	-	137,593	9	228,662	-	228,671
Fixed interest securities*	-	8,982,276	-	8,982,276	-	7,812,806	-	7,812,806
<b>Total</b>	<b>312</b>	<b>9,119,557</b>	<b>-</b>	<b>9,119,869</b>	<b>9</b>	<b>8,041,468</b>	<b>-</b>	<b>8,041,477</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives	416	28,244	-	28,660	31	90,960	-	90,991
Fixed interest securities	-	-	-	-	-	5,990	-	5,990
<b>Total</b>	<b>416</b>	<b>28,244</b>	<b>-</b>	<b>28,660</b>	<b>31</b>	<b>96,950</b>	<b>-</b>	<b>96,981</b>

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

Vanguard International Credit Securities Index Fund (Hedged)								
30 Jun 2024				30 Jun 2023				
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	12	7,334	-	7,346	63	14,202	-	14,265
Fixed interest securities*	-	545,821	-	545,821	-	501,801	-	501,801
<b>Total</b>	<b>12</b>	<b>553,155</b>	<b>-</b>	<b>553,167</b>	<b>63</b>	<b>516,003</b>	<b>-</b>	<b>516,066</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives	23	1,580	-	1,603	52	5,903	-	5,955
Fixed interest securities	-	-	-	-	-	16	-	16
<b>Total</b>	<b>23</b>	<b>1,580</b>	<b>-</b>	<b>1,603</b>	<b>52</b>	<b>5,919</b>	<b>-</b>	<b>5,971</b>

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

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 5 Fair value measurement (continued)

### Recognised fair value measurements (continued)

Vanguard International Fixed Interest Index Fund (Hedged)								
30 Jun 2024				30 Jun 2023				
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	-	41,878	-	41,878	-	73,225	-	73,225
Fixed interest securities*	-	1,985,808	-	1,985,808	-	2,083,409	-	2,083,409
<b>Total</b>	<b>-</b>	<b>2,027,686</b>	<b>-</b>	<b>2,027,686</b>	<b>-</b>	<b>2,156,634</b>	<b>-</b>	<b>2,156,634</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives	-	7,567	-	7,567	-	24,630	-	24,630
<b>Total</b>	<b>-</b>	<b>7,567</b>	<b>-</b>	<b>7,567</b>	<b>-</b>	<b>24,630</b>	<b>-</b>	<b>24,630</b>

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

The Funds' policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no changes made to any of the valuation techniques applied as of 30 June 2024.

### Transfers between levels

There were no transfers between the levels of the fair value hierarchy for 30 June 2024 and 30 June 2023.

There were no transfers into and out of level 3 during the reporting period.

### Valuation processes

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

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

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

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

	Vanguard Australian Inflation-Linked Bond Index Fund		Vanguard Short Term Fixed Interest Fund		Vanguard Cash Reserve Fund		Vanguard Australian Corporate Fixed Interest Index Fund	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net unrealised gain/(loss) on financial instruments at fair value through profit or loss	8,335	18,641	2,564	3,644	1,670	1,952	36,609	18,320
Net realised gain/(loss) on financial instruments at fair value through profit or loss	3,871	2,370	8,646	4,517	22,607	16,740	14,959	9,363
<b>Total net gains/(losses) on financial instruments at fair value through profit or loss</b>	<b>12,206</b>	<b>21,011</b>	<b>11,210</b>	<b>8,161</b>	<b>24,277</b>	<b>18,692</b>	<b>51,568</b>	<b>27,683</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 6 Net gains/(losses) on financial instruments at fair value through profit or loss (continued)

	Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund		Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net unrealised gain/(loss) on financial instruments at fair value through profit or loss	132,490	(22,067)	46,752	(2,058)	(9,954)	134,671
Net realised gain/(loss) on financial instruments at fair value through profit or loss	138,194	108,002	5,349	9,176	31,461	(111,940)
<b>Total net gains/(losses) on financial instruments at fair value through profit or loss</b>	<b>270,684</b>	<b>85,935</b>	<b>52,101</b>	<b>7,118</b>	<b>21,507</b>	<b>22,731</b>

  

	Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net unrealised gain/(loss) on financial instruments at fair value through profit or loss	(142,355)	538,941	139	45,131	(58,696)	120,081
Net realised gain/(loss) on financial instruments at fair value through profit or loss	326,952	(673,539)	22,223	(46,902)	92,293	(157,644)
<b>Total net gains/(losses) on financial instruments at fair value through profit or loss</b>	<b>184,597</b>	<b>(134,598)</b>	<b>22,362</b>	<b>(1,771)</b>	<b>33,597</b>	<b>(37,563)</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

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

	Vanguard Australian Inflation-Linked Bond Index Fund		Vanguard Short Term Fixed Interest Fund		Vanguard Cash Reserve Fund		Vanguard Australian Corporate Fixed Interest Index Fund	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives	-	-	2	-	5	-	22	19
Fixed interest securities	293,085	385,630	166,056	146,613	429,547	434,180	843,126	849,429
Money market securities	-	-	54,185	93,656	113,413	193,566	1,238	3,137
<b>Total financial assets at fair value through profit or loss</b>	<b>293,085</b>	<b>385,630</b>	<b>220,243</b>	<b>240,269</b>	<b>542,965</b>	<b>627,746</b>	<b>844,386</b>	<b>852,585</b>
<b>Comprising:</b>								
<b>Derivatives</b>								
Australian interest rate futures	-	-	2	-	-	-	22	19
Australian money market futures	-	-	-	-	5	-	-	-
<b>Total derivatives</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>22</b>	<b>19</b>
<b>Fixed interest securities</b>								
Australian fixed interest securities	293,085	385,630	165,091	142,916	394,866	337,894	839,746	849,429
Australian reverse repurchase agreements*	-	-	965	3,697	34,681	96,286	3,380	-
<b>Total fixed interest securities</b>	<b>293,085</b>	<b>385,630</b>	<b>166,056</b>	<b>146,613</b>	<b>429,547</b>	<b>434,180</b>	<b>843,126</b>	<b>849,429</b>
<b>Money market securities</b>								
Australian money market securities	-	-	54,185	93,656	113,413	193,566	1,238	3,137
<b>Total money market securities</b>	<b>-</b>	<b>-</b>	<b>54,185</b>	<b>93,656</b>	<b>113,413</b>	<b>193,566</b>	<b>1,238</b>	<b>3,137</b>
<b>Total financial assets at fair value through profit or loss</b>	<b>293,085</b>	<b>385,630</b>	<b>220,243</b>	<b>240,269</b>	<b>542,965</b>	<b>627,746</b>	<b>844,386</b>	<b>852,585</b>

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

# Notes to the financial statements (continued)

For the year ended 30 June 2024

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

	Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund		Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000
<b>Financial assets at fair value through profit or loss</b>						
Derivatives	-	-	-	-	14,539	35,501
Fixed interest securities	7,910,464	7,283,790	1,604,827	1,536,657	888,403	794,891
Money market securities	3,627	3,493	-	-	-	-
<b>Total financial assets at fair value through profit or loss</b>	<b>7,914,091</b>	<b>7,287,283</b>	<b>1,604,827</b>	<b>1,536,657</b>	<b>902,942</b>	<b>830,392</b>
<b>Comprising:</b>						
<b>Derivatives</b>						
Foreign currency forward contracts	-	-	-	-	14,505	35,488
Australian interest rate futures	-	-	-	-	-	11
International interest rate futures	-	-	-	-	34	2
<b>Total derivatives</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,539</b>	<b>35,501</b>
<b>Fixed interest securities</b>						
Australian fixed interest securities	7,891,765	7,169,239	1,604,827	1,510,647	16,774	15,752
International fixed interest securities	-	-	-	-	868,275	768,455
Australian reverse repurchase agreements*	18,699	114,551	-	26,010	2,713	9,035
International reverse repurchase agreements*	-	-	-	-	641	1,649
<b>Total fixed interest securities</b>	<b>7,910,464</b>	<b>7,283,790</b>	<b>1,604,827</b>	<b>1,536,657</b>	<b>888,403</b>	<b>794,891</b>
<b>Money market securities</b>						
Australian money market securities	3,627	3,493	-	-	-	-
<b>Total money market securities</b>	<b>3,627</b>	<b>3,493</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total financial assets at fair value through profit or loss</b>	<b>7,914,091</b>	<b>7,287,283</b>	<b>1,604,827</b>	<b>1,536,657</b>	<b>902,942</b>	<b>830,392</b>

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

# Notes to the financial statements (continued)

For the year ended 30 June 2024

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

	Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000
<b>Financial assets at fair value through profit or loss</b>						
Derivatives	137,593	228,671	7,346	14,265	41,878	73,225
Fixed interest securities	8,982,276	7,812,806	545,821	501,801	1,985,808	2,083,409
<b>Total financial assets at fair value through profit or loss</b>	<b>9,119,869</b>	<b>8,041,477</b>	<b>553,167</b>	<b>516,066</b>	<b>2,027,686</b>	<b>2,156,634</b>
<b>Comprising:</b>						
<b>Derivatives</b>						
Foreign currency forward contracts	137,281	228,662	7,334	14,202	41,878	73,225
Australian interest rate futures	-	-	-	3	-	-
International interest rate futures	312	9	12	60	-	-
<b>Total derivatives</b>	<b>137,593</b>	<b>228,671</b>	<b>7,346</b>	<b>14,265</b>	<b>41,878</b>	<b>73,225</b>
<b>Fixed interest securities</b>						
Australian fixed interest securities	151,990	135,504	13,800	11,024	29,614	31,817
International fixed interest securities	8,796,800	7,613,815	530,643	490,777	1,952,759	2,038,709
Australian reverse repurchase agreements*	33,486	63,487	1,378	-	3,435	12,883
<b>Total fixed interest securities</b>	<b>8,982,276</b>	<b>7,812,806</b>	<b>545,821</b>	<b>501,801</b>	<b>1,985,808</b>	<b>2,083,409</b>
<b>Total financial assets at fair value through profit or loss</b>	<b>9,119,869</b>	<b>8,041,477</b>	<b>553,167</b>	<b>516,066</b>	<b>2,027,686</b>	<b>2,156,634</b>

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

An overview of the risk exposures relating to financial assets at fair value through profit or loss is included in note 3.

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

	Vanguard Australian Corporate Fixed Interest Index Fund		Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000
<b>Financial liabilities at fair value through profit or loss</b>						
Derivatives	-	7	-	-	-	-
Fixed interest securities	-	-	-	107,430	-	26,010
<b>Total financial liabilities at fair value through profit or loss</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>107,430</b>	<b>-</b>	<b>26,010</b>
<b>Comprising:</b>						
<b>Derivatives</b>						
Australian interest rate futures	-	7	-	-	-	-
<b>Total derivatives</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fixed interest securities</b>						
Australian reverse repurchase agreements*	-	-	-	107,430	-	26,010
<b>Total fixed interest securities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>107,430</b>	<b>-</b>	<b>26,010</b>
<b>Total financial liabilities at fair value through profit or loss</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>107,430</b>	<b>-</b>	<b>26,010</b>

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

# Notes to the financial statements (continued)

For the year ended 30 June 2024

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

	Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)		Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000	Fair value \$'000
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives	10,804	27,493	28,660	90,991	1,603	5,955	7,567	24,630
Fixed interest securities	-	122	-	5,990	-	16	-	-
<b>Total financial liabilities at fair value through profit or loss</b>	<b>10,804</b>	<b>27,615</b>	<b>28,660</b>	<b>96,981</b>	<b>1,603</b>	<b>5,971</b>	<b>7,567</b>	<b>24,630</b>
<b>Comprising:</b>								
<b>Derivatives</b>								
Foreign currency forward contracts	10,788	27,383	28,244	90,960	1,580	5,903	7,567	24,630
Australian interest rate futures	-	1	-	-	-	-	-	-
International interest rate futures	16	109	416	31	23	52	-	-
<b>Total derivatives</b>	<b>10,804</b>	<b>27,493</b>	<b>28,660</b>	<b>90,991</b>	<b>1,603</b>	<b>5,955</b>	<b>7,567</b>	<b>24,630</b>
<b>Fixed interest securities</b>								
International fixed interest securities	-	122	-	5,990	-	16	-	-
<b>Total fixed interest securities</b>	<b>-</b>	<b>122</b>	<b>-</b>	<b>5,990</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>-</b>
<b>Total financial liabilities at fair value through profit or loss</b>	<b>10,804</b>	<b>27,615</b>	<b>28,660</b>	<b>96,981</b>	<b>1,603</b>	<b>5,971</b>	<b>7,567</b>	<b>24,630</b>

An overview of the risk exposures relating to financial liabilities at fair value through profit or loss is included in note 3.

## 9 Derivative financial instruments

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

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

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

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

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

The Funds hold the following derivative instruments:

### Forward currency contracts

Forward currency contracts are primarily used by the Funds to manage against foreign currency risks on their investments. The Funds agree to receive or deliver a fixed quantity of foreign currency for an agreed upon price on an agreed future date. Forward currency contracts are valued at the prevailing bid price at the end of each reporting period. The Funds recognise a gain or loss equal to the change in fair value at the end of each reporting period.

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 9 Derivative financial instruments (continued)

### Futures

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

The Funds' derivative financial instruments at year end are detailed below:

Vanguard Short Term Fixed Interest Fund						
	Contract/ Notional \$'000	2024 Fair value		Contract/ Notional \$'000	2023 Fair value	
		Assets	Liabilities		Assets	Liabilities
		\$'000	\$'000		\$'000	\$'000
Australian interest rate futures	(422)	2	-	-	-	-
<b>Total</b>	<b>(422)</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Vanguard Cash Reserve Fund						
	Contract/ Notional \$'000	2024 Fair value		Contract/ Notional \$'000	2023 Fair value	
		Assets	Liabilities		Assets	Liabilities
		\$'000	\$'000		\$'000	\$'000
Australian money market futures	(16,813)	5	-	(3,955)	-	-
<b>Total</b>	<b>(16,813)</b>	<b>5</b>	<b>-</b>	<b>(3,955)</b>	<b>-</b>	<b>-</b>

Vanguard Australian Corporate Fixed Interest Index Fund						
	Contract/ Notional \$'000	2024 Fair value		Contract/ Notional \$'000	2023 Fair value	
		Assets	Liabilities		Assets	Liabilities
		\$'000	\$'000		\$'000	\$'000
Forward currency contracts	120	-	-	25	-	-
Australian interest rate futures	(3,506)	22	-	(4,227)	19	7
<b>Total</b>	<b>(3,386)</b>	<b>22</b>	<b>-</b>	<b>(4,202)</b>	<b>19</b>	<b>7</b>

Vanguard Australian Fixed Interest Index Fund						
	Contract/ Notional \$'000	2024 Fair value		Contract/ Notional \$'000	2023 Fair value	
		Assets	Liabilities		Assets	Liabilities
		\$'000	\$'000		\$'000	\$'000
Forward currency contracts	-	-	-	380	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>380</b>	<b>-</b>	<b>-</b>

Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)						
	Contract/ Notional \$'000	2024 Fair value		Contract/ Notional \$'000	2023 Fair value	
		Assets	Liabilities		Assets	Liabilities
		\$'000	\$'000		\$'000	\$'000
Forward currency contracts	8,221,961	14,505	10,788	7,365,844	35,488	27,383
Australian interest rate futures	(341)	-	-	(1,273)	11	1
International interest rate futures	4,362	34	16	17,716	2	109
<b>Total</b>	<b>8,225,982</b>	<b>14,539</b>	<b>10,804</b>	<b>7,382,287</b>	<b>35,501</b>	<b>27,493</b>



# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 9 Derivative financial instruments (continued)

Vanguard Global Aggregate Bond Index Fund (Hedged)						
	Contract/ Notional \$'000	2024 Fair value		Contract/ Notional \$'000	2023 Fair value	
		Assets	Liabilities		Assets	Liabilities
		\$'000	\$'000		\$'000	\$'000
Forward currency contracts	39,554,178	137,281	28,244	34,265,854	228,662	90,960
International interest rate futures	10,779	312	416	9,157	9	31
<b>Total</b>	<b>39,564,957</b>	<b>137,593</b>	<b>28,660</b>	<b>34,275,011</b>	<b>228,671</b>	<b>90,991</b>

Vanguard International Credit Securities Index Fund (Hedged)						
	Contract/ Notional \$'000	2024 Fair value		Contract/ Notional \$'000	2023 Fair value	
		Assets	Liabilities		Assets	Liabilities
		\$'000	\$'000		\$'000	\$'000
Forward currency contracts	2,299,557	7,334	1,580	2,214,934	14,202	5,903
Australian interest rate futures	(227)	-	-	(576)	3	-
International interest rate futures	(47)	12	23	1,883	60	52
<b>Total</b>	<b>2,299,283</b>	<b>7,346</b>	<b>1,603</b>	<b>2,216,241</b>	<b>14,265</b>	<b>5,955</b>

Vanguard International Fixed Interest Index Fund (Hedged)						
	Contract/ Notional \$'000	2024 Fair value		Contract/ Notional \$'000	2023 Fair value	
		Assets	Liabilities		Assets	Liabilities
		\$'000	\$'000		\$'000	\$'000
Forward currency contracts	10,065,877	41,878	7,567	9,993,451	73,225	24,630
<b>Total</b>	<b>10,065,877</b>	<b>41,878</b>	<b>7,567</b>	<b>9,993,451</b>	<b>73,225</b>	<b>24,630</b>

### Risk exposures and fair value measurements

Information about the Funds' exposure to credit risk, foreign exchange risk and interest rate risk and about the methods and assumptions used in determining fair values is provided in note 3 to the financial statements. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of derivative financial instruments disclosed above.

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 10 Net assets attributable to unitholders

Under AASB 132 *Financial instruments: Presentation*, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. The Funds shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions. Otherwise the financial instrument should be disclosed as a liability (refer to note 2(c)).

Each unit represents a right to an individual share in the Funds and does not extend to a right to the underlying assets of the Funds. The Vanguard Australian Inflation-Linked Bond Index Fund, Vanguard Short Term Fixed Interest Fund and Vanguard Cash Reserve Fund have no separate classes of units and each unit has the same rights attaching to it as all other units of the Funds.

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

	Vanguard Australian Inflation-Linked Bond Index Fund				Vanguard Short Term Fixed Interest Fund			
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	337,658	357,956	384,953	388,265	236,560	285,592	239,607	287,552
Applications	56,673	58,165	66,522	65,503	84,143	74,513	85,787	75,440
Redemptions	(144,520)	(78,463)	(167,847)	(87,319)	(106,415)	(124,163)	(108,429)	(125,670)
Units issued upon reinvestment of distributions	1,781	-	2,093	-	1,234	618	1,255	625
Distributions paid and payable	-	-	(4,435)	(1,414)	-	-	(9,694)	(6,005)
Profit/(loss) for the year	-	-	11,200	19,918	-	-	10,779	7,665
<b>Closing balance as at 30 June</b>	<b>251,592</b>	<b>337,658</b>	<b>292,486</b>	<b>384,953</b>	<b>215,522</b>	<b>236,560</b>	<b>219,305</b>	<b>239,607</b>

  

	Vanguard Cash Reserve Fund			
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	621,886	600,579	622,337	601,503
Applications	234,377	150,704	235,228	151,160
Redemptions	(336,128)	(141,465)	(337,304)	(141,909)
Units issued upon reinvestment of distributions	16,780	12,068	16,807	12,087
Distributions paid and payable	-	-	(22,713)	(18,373)
Profit/(loss) for the year	-	-	23,485	17,869
<b>Closing balance as at 30 June</b>	<b>536,915</b>	<b>621,886</b>	<b>537,840</b>	<b>622,337</b>

  

	Vanguard Australian Corporate Fixed Interest Index Fund				Vanguard Australian Corporate Fixed Interest Index Fund			
	Wholesale Class		ETF Class		Wholesale Class		ETF Class	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	227,570	304,007	227,988	297,805	12,856	11,793	624,750	560,326
Applications	48,444	62,156	49,475	62,169	470	1,806	23,277	88,240
Redemptions	(78,796)	(138,650)	(79,885)	(138,438)	(545)	(745)	(27,421)	(35,547)
Units issued upon reinvestment of distributions	250	57	256	57	10	2	507	110
Increase/(decrease) in net assets attributable to unitholders	-	-	5,520	6,395	-	-	18,013	11,621
<b>Closing balance as at 30 June</b>	<b>197,468</b>	<b>227,570</b>	<b>203,354</b>	<b>227,988</b>	<b>12,791</b>	<b>12,856</b>	<b>639,126</b>	<b>624,750</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 10 Net assets attributable to unitholders (continued)

Vanguard Australian Fixed Interest Index Fund								
	Wholesale Class				ETF Class			
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	5,457,470	5,377,226	5,560,868	5,467,045	35,984	31,678	1,595,015	1,400,890
Applications	1,094,579	771,854	1,126,330	796,628	7,615	4,850	340,559	217,149
Redemptions	(862,514)	(712,796)	(883,026)	(733,676)	(945)	(565)	(42,400)	(25,078)
Units issued upon reinvestment of distributions	65,004	21,186	67,162	21,751	72	21	3,221	938
Increase/(decrease) in net assets attributable to unitholders	-	-	47,476	9,120	-	-	16,511	1,116
<b>Closing balance as at 30 June</b>	<b>5,754,539</b>	<b>5,457,470</b>	<b>5,918,810</b>	<b>5,560,868</b>	<b>42,726</b>	<b>35,984</b>	<b>1,912,906</b>	<b>1,595,015</b>

  

Vanguard Australian Government Bond Index Fund								
	Wholesale Class				ETF Class			
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	628,992	636,082	592,946	600,720	20,170	13,750	912,787	623,066
Applications	328,748	180,124	310,644	173,941	4,390	7,670	199,735	354,084
Redemptions	(304,642)	(187,214)	(287,573)	(179,572)	(3,260)	(1,250)	(148,528)	(57,668)
Units issued upon reinvestment of distributions	8,514	-	8,134	-	25	-	1,168	-
Increase/(decrease) in net assets attributable to unitholders	-	-	2,626	(2,143)	-	-	5,733	(6,695)
<b>Closing balance as at 30 June</b>	<b>661,612</b>	<b>628,992</b>	<b>626,777</b>	<b>592,946</b>	<b>21,325</b>	<b>20,170</b>	<b>970,895</b>	<b>912,787</b>

  

Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)								
	ETF Class				AUD Hedged Class			
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	1,929	1,332	80,612	52,877	106,054	60,795	84,220	45,775
Applications	50	596	2,096	25,023	78,588	56,396	62,557	45,401
Redemptions	(380)	-	(15,589)	-	(23,030)	(11,455)	(18,275)	(9,205)
Units issued upon reinvestment of distributions	2	1	88	57	245	318	195	260
Increase/(decrease) in net assets attributable to unitholders	-	-	(5,025)	2,655	-	-	(9,073)	1,989
<b>Closing balance as at 30 June</b>	<b>1,601</b>	<b>1,929</b>	<b>62,182</b>	<b>80,612</b>	<b>161,857</b>	<b>106,054</b>	<b>119,624</b>	<b>84,220</b>

  

	NZD Hedged Class			
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	847,114	1,522,116	637,677	1,171,736
Applications	267,179	286,940	203,190	218,146
Redemptions	(207,542)	(985,386)	(159,736)	(762,882)
Units issued upon reinvestment of distributions	18,294	23,444	13,920	17,660
Increase/(decrease) in net assets attributable to unitholders	-	-	(7,071)	(6,983)
<b>Closing balance as at 30 June</b>	<b>925,045</b>	<b>847,114</b>	<b>687,980</b>	<b>637,677</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 10 Net assets attributable to unitholders (continued)

	Vanguard Global Aggregate Bond Index Fund (Hedged)							
	Wholesale Class				ETF Class			
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	8,568,580	7,936,955	6,986,962	6,727,026	19,069	11,099	780,385	471,653
Applications	1,235,907	878,494	1,003,700	731,697	14,235	8,030	588,854	332,173
Redemptions	(655,081)	(379,398)	(524,361)	(312,548)	(190)	(130)	(7,746)	(5,380)
Units issued upon reinvestment of distributions	180,288	132,529	147,617	109,171	109	70	4,490	2,882
Increase/(decrease) in net assets attributable to unitholders	-	-	(12,608)	(268,384)	-	-	(4,624)	(20,943)
<b>Closing balance as at 30 June</b>	<b>9,329,694</b>	<b>8,568,580</b>	<b>7,601,310</b>	<b>6,986,962</b>	<b>33,223</b>	<b>19,069</b>	<b>1,361,359</b>	<b>780,385</b>

	Vanguard International Credit Securities Index Fund (Hedged)							
	Wholesale Class				ETF Class			
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	370,373	347,859	333,923	323,795	4,570	4,890	170,508	188,264
Applications	128,010	100,904	115,091	92,337	270	180	10,094	6,920
Redemptions	(63,986)	(81,976)	(57,990)	(74,926)	(930)	(505)	(34,758)	(19,704)
Units issued upon reinvestment of distributions	3,579	3,586	3,262	3,264	5	5	181	170
Increase/(decrease) in net assets attributable to unitholders	-	-	5,157	(10,547)	-	-	1,767	(5,142)
<b>Closing balance as at 30 June</b>	<b>437,976</b>	<b>370,373</b>	<b>399,443</b>	<b>333,923</b>	<b>3,915</b>	<b>4,570</b>	<b>147,792</b>	<b>170,508</b>

	Vanguard International Fixed Interest Index Fund (Hedged)							
	Wholesale Class				ETF Class			
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July	1,368,728	1,238,035	1,270,496	1,191,258	21,015	15,588	804,292	617,924
Applications	513,139	442,218	473,314	415,792	5,561	5,790	210,248	223,189
Redemptions	(539,178)	(318,650)	(497,896)	(299,372)	(6,900)	(375)	(267,460)	(14,301)
Units issued upon reinvestment of distributions	7,598	7,125	7,062	6,724	14	12	546	482
Increase/(decrease) in net assets attributable to unitholders	-	-	(8,493)	(43,906)	-	-	546	(23,002)
<b>Closing balance as at 30 June</b>	<b>1,350,287</b>	<b>1,368,728</b>	<b>1,244,483</b>	<b>1,270,496</b>	<b>19,690</b>	<b>21,015</b>	<b>748,172</b>	<b>804,292</b>

### Capital risk management

The Funds consider their net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified either as a liability or equity. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Funds are subject to daily applications and redemptions at the discretion of unitholders.

Daily applications and redemptions are reviewed relative to the liquidity of the Funds' underlying assets on a daily basis by the Responsible Entity. Under the terms of the Funds' Constitution, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

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

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 11 Distributions to unitholders paid and payable

The distributions during the year were as follows:

	Vanguard Australian Inflation-Linked Bond Index Fund				Vanguard Short Term Fixed Interest Fund			
	30 Jun 2024		30 Jun 2023		30 Jun 2024		30 Jun 2023	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 31 July	-	-	-	-	719	0.3071	251	0.0881
- 31 August	-	-	-	-	816	0.3534	422	0.1491
- 30 September	315	0.0942	-	-	719	0.3173	486	0.1729
- 31 October	-	-	-	-	880	0.3879	454	0.1654
- 30 November	-	-	-	-	782	0.3474	373	0.1403
- 31 December	1,411	0.4753	-	-	851	0.3847	489	0.1886
- 31 January	-	-	-	-	830	0.3742	483	0.1905
- 28 February	-	-	-	-	-	-	616	0.2435
- 29 February	-	-	-	-	794	0.3670	-	-
- 31 March	1,308	0.4319	-	-	805	0.3687	1,473	0.5917
- 30 April	-	-	-	-	850	0.3912	313	0.1268
- 31 May	-	-	-	-	855	0.3975	141	0.0584
Distributions payable								
- 30 June	1,401	0.5569	1,414	0.4188	793	0.3678	504	0.2129
	4,435	1.5583	1,414	0.4188	9,694	4.3642	6,005	2.3282

	Vanguard Cash Reserve Fund			
	30 Jun 2024		30 Jun 2023	
	\$'000	CPU	\$'000	CPU
Distributions paid				
- 31 July	1,771	0.3367	539	0.0892
- 31 August	1,892	0.3614	995	0.1643
- 30 September	1,815	0.3506	1,090	0.1842
- 31 October	1,522	0.2954	1,233	0.2068
- 30 November	1,504	0.2925	1,400	0.2295
- 31 December	2,224	0.4263	1,470	0.2413
- 31 January	1,834	0.3388	1,705	0.2759
- 28 February	-	-	1,989	0.3221
- 29 February	1,910	0.3579	-	-
- 31 March	2,234	0.4143	2,067	0.3356
- 30 April	2,051	0.3806	2,009	0.3232
- 31 May	2,796	0.5209	1,634	0.2649
Distributions payable				
- 30 June	1,160	0.2160	2,242	0.3605
	22,713	4.2914	18,373	2.9975

	Vanguard Australian Corporate Fixed Interest Index Fund Wholesale Class				ETF Class			
	30 Jun 2024		30 Jun 2023		30 Jun 2024		30 Jun 2023	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	1,207	0.6305	535	0.1869	3,976	30.8098	1,142	9.8837
- 31 December	1,662	0.8730	-	-	5,514	41.9822	-	-
- 31 March	1,477	0.7706	913	0.3316	4,959	37.4732	2,053	16.8505
Distributions payable								
- 30 June	1,787	0.9047	920	0.4042	5,721	44.6667	2,497	19.3633
	6,133	3.1788	2,368	0.9227	20,170	154.9319	5,692	46.0975

# Notes to the financial statements (continued)

For the year ended 30 June 2024

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

	Vanguard Australian Fixed Interest Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	24,174	0.4340	12,677	0.2370	7,567	19.3542	3,445	10.4733
- 31 December	42,916	0.7821	7,502	0.1394	13,851	33.6677	2,200	6.4447
- 31 March	25,573	0.4563	13,943	0.2600	8,856	20.8090	4,010	11.6757
Distributions payable								
- 30 June	53,788	0.9347	14,888	0.2728	17,525	40.8196	4,632	12.6302
	146,451	2.6071	49,010	0.9092	47,799	114.6505	14,287	41.2239

	Vanguard Australian Government Bond Index Fund							
	Wholesale Class				ETF Class			
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	1,320	0.2016	-	-	1,591	7.1456	-	-
- 31 December	6,455	0.9456	-	-	9,926	45.6163	-	-
- 31 March	2,244	0.3289	-	-	3,494	16.1265	-	-
Distributions payable								
- 30 June	6,157	0.9305	5,237	0.8326	9,464	44.2469	8,044	39.7284
	16,176	2.4066	5,237	0.8326	24,475	113.1353	8,044	39.7284

	Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)							
	ETF Class				AUD Hedged Class			
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	286	15.2281	140	10.4955	312	0.2764	132	0.1930
- 31 December	382	24.0688	294	18.6806	502	0.4302	260	0.3359
- 31 March	334	21.1604	289	15.4789	484	0.3671	264	0.3072
Distributions payable								
- 30 June	401	24.7176	633	32.5619	716	0.4426	559	0.5275
	1,403	85.1749	1,356	77.2169	2,014	1.5163	1,215	1.3636

	NZD Hedged Class							
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September					2,326	0.2598	2,829	0.1779
- 31 December					3,929	0.4204	5,391	0.3335
- 31 March					3,500	0.3741	4,823	0.2932
Distributions payable								
- 30 June					26,752	2.8920	4,736	0.5591
					36,507	3.9463	17,779	1.3637

	Vanguard Global Aggregate Bond Index Fund (Hedged)							
	Wholesale Class				ETF Class			
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	26,274	0.2995	18,580	0.2260	3,066	14.7165	1,317	10.8541
- 31 December	43,892	0.5016	34,257	0.4060	5,516	19.4431	3,054	19.5184
- 31 March	39,379	0.4294	28,124	0.3319	6,500	21.4324	2,796	16.0158
Distributions payable								
- 30 June	48,017	0.5147	42,487	0.4958	8,259	24.8199	4,655	24.3505
	157,562	1.7452	123,448	1.4597	23,341	80.4119	11,822	70.7388

# Notes to the financial statements (continued)

For the year ended 30 June 2024

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

	Vanguard International Credit Securities Index Fund (Hedged)				ETF Class			
	Wholesale Class							
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	1,510	0.3979	1,229	0.3415	624	16.1522	649	14.2369
- 31 December	2,986	0.7113	2,477	0.6730	1,149	29.2651	1,255	27.5249
- 31 March	2,475	0.5705	1,805	0.4765	943	23.6889	907	19.7790
Distributions payable								
- 30 June	2,966	0.6773	2,663	0.7190	1,106	28.1453	1,299	28.3112
	9,937	2.3570	8,174	2.2100	3,822	97.2515	4,110	89.8520

	Vanguard International Fixed Interest Index Fund (Hedged)				ETF Class			
	Wholesale Class							
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid								
- 30 September	3,926	0.2638	1,995	0.1562	2,544	10.6945	1,028	6.3233
- 31 December	5,681	0.3812	4,018	0.3209	3,970	20.9380	2,364	12.7238
- 31 March	6,108	0.4012	3,701	0.2892	3,251	16.7818	2,346	11.9052
Distributions payable								
- 30 June	6,894	0.5106	5,528	0.4039	3,686	18.6333	3,484	16.4923
	22,609	1.5568	15,242	1.1702	13,451	67.0476	9,222	47.4446

## 12 Cash and cash equivalents

	Vanguard Australian Inflation-Linked Bond Index Fund		Vanguard Short Term Fixed Interest Fund		Vanguard Cash Reserve Fund		Vanguard Australian Corporate Fixed Interest Index Fund	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Domestic cash at bank	101	1,645	1	2	4	2	38	964
<b>Total cash and cash equivalents</b>	<b>101</b>	<b>1,645</b>	<b>1</b>	<b>2</b>	<b>4</b>	<b>2</b>	<b>38</b>	<b>964</b>

	Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund		Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Domestic cash at bank	-	413	1,576	3,957	238	129
Foreign cash at bank	-	-	-	-	12,235	9,977
Bank overdraft	(421)	-	-	-	-	-
<b>Total cash and cash equivalents</b>	<b>(421)</b>	<b>413</b>	<b>1,576</b>	<b>3,957</b>	<b>12,473</b>	<b>10,106</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 12 Cash and cash equivalents (continued)

	Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Domestic cash at bank	8	3	5	332	37	161
Foreign cash at bank	127,222	86,654	6,911	4,405	10,900	20,306
<b>Total cash and cash equivalents</b>	<b>127,230</b>	<b>86,657</b>	<b>6,916</b>	<b>4,737</b>	<b>10,937</b>	<b>20,467</b>

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

	Vanguard Australian Inflation-Linked Bond Index Fund		Vanguard Short Term Fixed Interest Fund		Vanguard Cash Reserve Fund		Vanguard Australian Corporate Fixed Interest Index Fund	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>								
Profit/(loss) for the year	11,200	19,918	10,779	7,665	23,485	17,869	-	-
Increase/(decrease) in net assets attributable to unitholders	-	-	-	-	-	-	23,533	18,016
Distribution to unitholders	-	-	-	-	-	-	26,303	8,060
Proceeds from sale of financial instruments at fair value through profit or loss	176,856	85,906	441,841	596,324	1,695,936	2,305,619	341,141	292,102
Purchases of financial instruments at fair value through profit or loss	(74,636)	(60,687)	(410,582)	(540,660)	(1,586,861)	(2,312,236)	(280,761)	(268,213)
Net (gains)/losses on financial instruments at fair value through profit or loss	(12,206)	(21,011)	(11,210)	(8,161)	(24,277)	(18,692)	(51,568)	(27,683)
Net change in receivables	3	12	18	-	38	(20)	(7)	(4)
Net change in payables	(23)	-	(4)	(8)	(11)	1	(4)	-
<b>Net cash inflow/(outflow) from operating activities</b>	<b>101,194</b>	<b>24,138</b>	<b>30,842</b>	<b>55,160</b>	<b>108,310</b>	<b>(7,459)</b>	<b>58,637</b>	<b>22,278</b>
<b>(b) Non-cash financing activities</b>								
During the year, the distribution payments satisfied by the issue of units under the distribution reinvestment plan	2,093	-	1,255	625	16,807	12,087	763	167
Non cash applications	-	-	12,000	-	3,608	-	-	-
Non cash redemptions	-	-	(12,000)	-	(3,608)	-	-	-
<b>Total non-cash financing activities</b>	<b>2,093</b>	<b>-</b>	<b>1,255</b>	<b>625</b>	<b>16,807</b>	<b>12,087</b>	<b>763</b>	<b>167</b>



# Notes to the financial statements (continued)

For the year ended 30 June 2024

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

	Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund		Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

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

Profit/(loss) for the year	-	-	-	-	-	-
Increase/(decrease) in net assets attributable to unitholders	63,987	10,236	8,359	(8,838)	(21,169)	(2,339)
Distribution to unitholders	194,250	63,297	40,651	13,281	39,924	20,350
Proceeds from sale of financial instruments at fair value through profit or loss	989,977	1,461,975	525,508	365,771	534,083	1,394,905
Purchases of financial instruments at fair value through profit or loss	(1,619,110)	(1,641,627)	(573,699)	(655,410)	(601,666)	(902,978)
Net (gains)/losses on financial instruments at fair value through profit or loss	(270,684)	(85,935)	(52,101)	(7,118)	(21,507)	(22,731)
Net change in receivables	(13)	37	(2)	(10)	2,248	(15)
Net change in payables	57	5	(13)	53	24	(411)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(641,536)</b>	<b>(192,012)</b>	<b>(51,297)</b>	<b>(292,271)</b>	<b>(68,063)</b>	<b>486,781</b>

### (b) Non-cash financing activities

During the year, the distribution payments satisfied by the issue of units under the distribution reinvestment plan	70,383	22,689	9,302	-	14,203	17,977
Non cash applications	76,341	-	-	-	-	-
Non cash redemptions	(231,620)	-	-	-	-	-
<b>Total non-cash financing activities</b>	<b>(84,896)</b>	<b>22,689</b>	<b>9,302</b>	<b>-</b>	<b>14,203</b>	<b>17,977</b>

	Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

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

Profit/(loss) for the year	-	-	-	-	-	-
Increase/(decrease) in net assets attributable to unitholders	(17,232)	(289,327)	6,924	(15,689)	(7,947)	(66,908)
Distribution to unitholders	180,903	135,270	13,759	12,284	36,060	24,464
Proceeds from sale of financial instruments at fair value through profit or loss	3,604,801	3,137,222	262,442	258,068	1,097,543	610,110
Purchases of financial instruments at fair value through profit or loss	(4,675,689)	(3,775,547)	(281,161)	(263,476)	(982,381)	(882,938)
Net (gains)/losses on financial instruments at fair value through profit or loss	(184,597)	134,598	(22,362)	1,771	(33,597)	37,563
Net change in receivables	31,731	8,405	4,519	1,830	(21)	(4)
Net change in payables	(15)	(95)	(22)	24	(13,800)	(7,969)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(1,060,098)</b>	<b>(649,474)</b>	<b>(15,901)</b>	<b>(5,188)</b>	<b>95,857</b>	<b>(285,682)</b>

### (b) Non-cash financing activities

During the year, the distribution payments satisfied by the issue of units under the distribution reinvestment plan	152,107	112,053	3,443	3,434	7,608	7,206
Non cash applications	177,817	-	-	-	-	-
Non cash redemptions	(177,817)	-	-	-	-	-
<b>Total non-cash financing activities</b>	<b>152,107</b>	<b>112,053</b>	<b>3,443</b>	<b>3,434</b>	<b>7,608</b>	<b>7,206</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 14 Remuneration of auditors

The auditor's remuneration is borne by the Responsible Entity. During the year, the following fees were paid or payable for services provided by the auditor of the Funds.

	Vanguard Australian Inflation-Linked Bond Index Fund		Vanguard Short Term Fixed Interest Fund		Vanguard Cash Reserve Fund	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$	\$	\$	\$	\$	\$
<b>Auditors of the Funds - PwC</b>						
Audit and review of financial statements	19,195	18,280	19,468	18,546	23,923	22,892
Other assurance services						
Audit of compliance plan, specified assertions report and internal controls report	12,341	11,491	12,341	11,491	12,341	11,491
Other non-audit services						
Tax compliance services	9,804	9,416	9,804	9,416	9,804	9,416
<b>Total services provided by PwC</b>	<b>41,340</b>	<b>39,187</b>	<b>41,613</b>	<b>39,453</b>	<b>46,068</b>	<b>43,799</b>

	Vanguard Australian Corporate Fixed Interest Index Fund		Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund		Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Auditors of the Funds - PwC</b>								
Audit and review of financial statements	20,826	19,871	23,544	22,523	23,544	22,523	31,699	30,480
Other assurance services								
Audit of compliance plan, specified assertions report and internal controls report	12,341	11,491	12,341	11,491	12,341	11,491	12,341	11,491
Other non-audit services								
Tax compliance services	9,804	9,416	9,804	9,416	9,804	9,416	25,072	25,481
<b>Total services provided by PwC</b>	<b>42,971</b>	<b>40,778</b>	<b>45,689</b>	<b>43,430</b>	<b>45,689</b>	<b>43,430</b>	<b>69,112</b>	<b>67,452</b>

	Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$	\$	\$	\$	\$	\$
<b>Auditors of the Funds - PwC</b>						
Audit and review of financial statements	32,243	31,010	28,981	27,828	33,330	32,071
Other assurance services						
Audit of compliance plan, specified assertions report and internal controls report	12,341	11,491	12,341	11,491	12,341	11,491
Other non-audit services						
Tax compliance services	9,804	9,416	9,804	9,416	9,804	9,416
<b>Total services provided by PwC</b>	<b>54,388</b>	<b>51,917</b>	<b>51,126</b>	<b>48,735</b>	<b>55,475</b>	<b>52,978</b>

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 15 Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factors in deciding who controls the entity, or when voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

An interest in a structured entity is any form of contractual or non-contractual involvement which creates variability in returns arising from the performance of the entity for the Funds. The Funds consider investments in unit trusts and managed funds to be structured entities. The Funds have exposures to unconsolidated structured entities through their investment activities and these have been accounted for as financial assets at fair value through profit or loss. The nature and extent of the Funds' interests in related unconsolidated structured entities are units in underlying funds and are summarised in note 16. There are no significant interests in unrelated unconsolidated structured entities held by the Funds as at the reporting date.

The Funds' maximum exposure to loss is restricted to the carrying value of the assets. Exposure to trading assets is managed in accordance with financial risk management practices as set out in note 3, which includes an indication of changes in risk measures compared to prior year.

During the year, the Funds have not provided any financial or other support to unconsolidated structured entities and have no intention of providing financial or other support to unconsolidated structured entities in the future.

## 16 Related party transactions

### Responsible Entity

The Responsible Entity of the Vanguard Wholesale Fixed Income Funds and ETFs is Vanguard Investments Australia Ltd (ABN 72 072 881 086 AFSL 227263), which is a wholly owned subsidiary of The Vanguard Group, Inc.

### Key management personnel

Key management personnel includes persons who were directors of Responsible Entity at any time during the financial year are as follows:

Daniel Shrimski

John Bendl

Curt Jacques

Kim Petersen

Brian Dvorak (Appointed 26 July 2024)

No other person had authority and responsibility for planning, directing and controlling the activities of the Funds, directly or indirectly during the financial year.

### Transactions with key management personnel

Key management personnel services are provided by Vanguard Investments Australia Ltd and included in the management fees. There is no separate charge for these services. There was no compensation paid directly by the Funds to any of the key management personnel.

### Key management personnel unitholdings

The key management personnel of Vanguard Investments Australia Ltd did not hold any units in the Funds during the financial year ended 30 June 2024 and 30 June 2023.

### Key management personnel remuneration

Key management personnel are paid by the Responsible Entity. Payments made from the Funds do not include any amounts directly attributable to key management personnel remuneration.

### Key management personnel loan disclosures

The Funds have not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting period.

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 16 Related party transactions (continued)

### Responsible Entity's fees and other transactions

During the year ended 30 June 2024, the Responsible Entity received an all-inclusive management fee (inclusive of GST, net of RITC available to the Funds) over the Funds' average net assets attributable to unitholders for the year as follows:

	Management costs	
	2024 % per annum	2023 % per annum
Vanguard Australian Inflation-Linked Bond Index Fund	0.29	0.29
Vanguard Short Term Fixed Interest Fund	0.19	0.19
Vanguard Cash Reserve Fund	0.15	0.15
Vanguard Australian Corporate Fixed Interest Index Fund - Wholesale Class	0.24	0.24
Vanguard Australian Corporate Fixed Interest Index Fund - ETF Class	0.20	0.20
Vanguard Australian Fixed Interest Index Fund - Wholesale Class	0.19	0.19
Vanguard Australian Fixed Interest Index Fund - ETF Class	0.10	0.10
Vanguard Australian Government Bond Index Fund - Wholesale Class	0.24	0.24
Vanguard Australian Government Bond Index Fund - ETF Class*	0.16	0.20
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) - ETF Class	0.26	0.26
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) - AUD Hedged Class	0.28	0.28
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) - NZD Hedged Class	0.28	0.28
Vanguard Global Aggregate Bond Index Fund (Hedged) - Wholesale Class	0.24	0.24
Vanguard Global Aggregate Bond Index Fund (Hedged) - ETF Class	0.20	0.20
Vanguard International Credit Securities Index Fund (Hedged) - Wholesale Class	0.32	0.32
Vanguard International Credit Securities Index Fund (Hedged) - ETF Class	0.30	0.30
Vanguard International Fixed Interest Index Fund (Hedged) - Wholesale Class	0.26	0.26
Vanguard International Fixed Interest Index Fund (Hedged) - ETF Class	0.20	0.20

\* Effective 27 March 2024 the rate reduced from 0.20% to 0.16%.

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

	Vanguard Australian Inflation-Linked Bond Index Fund		Vanguard Short Term Fixed Interest Fund		Vanguard Cash Reserve Fund		Vanguard Australian Corporate Fixed Interest Index Fund	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$	\$	\$	\$	\$	\$	\$	\$
Responsible Entity's fees for the year	1,015,795	1,110,971	433,132	505,757	805,758	919,274	1,785,099	1,820,017
Total fees payable to the Responsible Entity at year end	69,981	92,862	34,167	37,865	66,377	76,933	147,102	150,663

	Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund		Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$	\$	\$	\$	\$	\$
Responsible Entity's fees for the year	12,751,219	12,670,294	3,489,944	2,991,449	2,405,435	3,480,687
Total fees payable to the Responsible Entity at year end	1,089,055	1,000,307	255,409	268,159	207,941	179,683

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 16 Related party transactions (continued)

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

	Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	\$	\$	\$	\$	\$	\$
Responsible Entity's fees for the year	19,644,025	17,918,783	1,658,917	1,609,622	5,178,910	4,524,994
Total fees payable to the Responsible Entity at year end	1,738,373	1,515,182	141,834	133,941	418,629	400,927

### Related party unitholdings

Parties related to the Funds, including the Responsible Entity, its affiliates or other schemes managed by the Responsible Entity, held units in the Funds and information about the Funds' interests in unconsolidated structured entities is included in the following tables. The fair values of a Fund's investments in each of its underlying funds represent the Fund's maximum exposure in these underlying funds.

Vanguard Short Term Fixed Interest Fund								
30 Jun 2024	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
Unitholder	Units	Units		\$	%	Units	Units	\$
Vanguard Investor Short Term Fixed Interest Fund	12,769,395	-	Australia	-	-	145,742	12,915,137	117,974

Vanguard Short Term Fixed Interest Fund								
30 Jun 2023	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
Unitholder	Units	Units		\$	%	Units	Units	\$
Vanguard Investor Short Term Fixed Interest Fund	15,510,322	12,769,395	Australia	12,932,844	5.40	516,689	3,257,616	313,893

Vanguard Cash Reserve Fund								
30 Jun 2024	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
Unitholder	Units	Units		\$	%	Units	Units	\$
Vanguard LifeStrategy® Conservative Fund	3,978,337	-	Australia	-	-	53,146	4,031,483	38,657
Vanguard Conservative Index Fund	288,296,193	277,499,266	Australia	277,998,765	51.68	21,383,586	32,180,513	11,943,325
Vanguard Super	12,698,288	28,509,573	Australia	28,560,890	5.31	30,269,125	14,457,840	871,768

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 16 Related party transactions (continued)

### Related party unitholdings (continued)

Vanguard Cash Reserve Fund								
30 Jun 2023	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
Unitholder	Units	Units		\$	%	Units	Units	\$
Vanguard LifeStrategy® Conservative Fund	4,398,420	3,978,337	Australia	3,981,519	0.64	179,725	599,808	126,135
Vanguard Conservative Index Fund	320,176,793	288,296,193	Australia	288,526,831	46.36	11,433,864	43,314,464	9,081,818
Vanguard Super	-	12,698,288	Australia	12,708,446	2.04	17,415,778	4,717,490	215,997

Vanguard Australian Fixed Interest Index Fund								
30 Jun 2024	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
Unitholder	Units	Units		\$	%	Units	Units	\$
Vanguard Index Diversified Bond Fund	14,193,395	-	Australia	-	-	116,210	14,309,605	56,396
Vanguard LifeStrategy® Conservative Fund	6,931,030	-	Australia	-	-	46,469	6,977,499	27,575
Vanguard LifeStrategy® Balanced Fund	22,271,136	-	Australia	-	-	168,358	22,439,494	93,924
Vanguard LifeStrategy® Growth Fund	23,571,433	-	Australia	-	-	325,376	23,896,809	102,836
Vanguard LifeStrategy® High Growth Fund	10,629,442	-	Australia	-	-	361,453	10,990,895	46,948
Vanguard Conservative Index Fund	508,298,131	485,193,651	Australia	498,973,151	8.43	16,403,991	39,508,471	12,761,393
Vanguard Balanced Index Fund	1,099,831,963	1,171,668,587	Australia	1,204,943,975	20.36	95,507,986	23,671,362	29,773,676
Vanguard Growth Index Fund	793,626,767	960,082,439	Australia	987,348,780	16.68	178,407,433	11,951,761	23,658,416
Vanguard High Growth Index Fund	220,374,633	276,114,809	Australia	283,956,469	4.80	67,181,604	11,441,428	6,669,842
Vanguard Diversified Bond Index Fund	86,084,516	101,915,644	Australia	104,810,048	1.77	22,576,518	6,745,390	2,591,774
Vanguard Super	28,323,003	65,612,670	Australia	67,476,071	1.14	40,628,289	3,338,622	1,332,029

Vanguard Australian Fixed Interest Index Fund								
30 Jun 2023	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
Unitholder	Units	Units		\$	%	Units	Units	\$
Vanguard Index Diversified Bond Fund	16,350,098	14,193,395	Australia	14,470,166	0.26	426,086	2,582,789	134,734
Vanguard LifeStrategy® Conservative Fund	7,889,907	6,931,030	Australia	7,066,185	0.13	141,753	1,100,630	66,275
Vanguard LifeStrategy® Balanced Fund	23,211,285	22,271,136	Australia	22,705,423	0.41	348,887	1,289,036	204,203
Vanguard LifeStrategy® Growth Fund	23,102,219	23,571,433	Australia	24,031,076	0.43	1,533,776	1,064,562	213,549
Vanguard LifeStrategy® High Growth Fund	10,073,444	10,629,442	Australia	10,836,717	0.19	1,326,706	770,708	94,295
Vanguard Conservative Index Fund	563,068,993	508,298,131	Australia	518,209,944	9.31	11,885,888	66,656,750	4,785,456
Vanguard Balanced Index Fund	1,112,878,477	1,099,831,963	Australia	1,121,278,687	20.15	34,926,302	47,972,816	10,031,383
Vanguard Growth Index Fund	747,984,599	793,626,767	Australia	809,102,489	14.54	82,232,979	36,590,811	7,074,458
Vanguard High Growth Index Fund	181,940,614	220,374,633	Australia	224,671,938	4.04	57,429,041	18,995,022	1,872,686
Vanguard Diversified Bond Index Fund	88,218,043	86,084,516	Australia	87,763,165	1.58	10,973,146	13,106,673	778,424
Vanguard Super	-	28,323,003	Australia	28,875,301	0.52	30,337,790	2,014,787	142,108

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 16 Related party transactions (continued)

### Related party unitholdings (continued)

Vanguard Australian Government Bond Index Fund								
30 Jun 2024	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
Unitholder	Units	Units		\$	%	Units	Units	\$
Vanguard Super	-	3,004,923	Australia	2,846,263	0.45	3,055,441	50,518	51,036

Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)								
30 Jun 2024	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
Unitholder	Units	Units		\$	%	Units	Units	\$
Vanguard Super <sup>1</sup>	4,311,633	8,370,276	Australia	6,641,814	5.17	6,005,430	1,946,787	96,022

<sup>1</sup> Investments relate to AUD Hedged Class

Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)								
30 Jun 2023	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
Unitholder	Units	Units		\$	%	Units	Units	\$
Vanguard Super <sup>1</sup>	-	4,311,633	Australia	3,422,574	4.07	4,613,026	301,393	37,206

<sup>1</sup> Investments relate to AUD Hedged Class

Vanguard Global Aggregate Bond Index Fund (Hedged)								
30 Jun 2024	Number of units held opening	Number of units held closing	Country of Establishment and Principal Place of Business	Fair value of investments	Interest held at year end	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund
Unitholder	Units	Units		\$	%	Units	Units	\$
Vanguard Index Diversified Bond Fund	41,403,776	-	Australia	-	-	408,126	41,811,902	116,460
Vanguard LifeStrategy® Conservative Fund	20,357,929	-	Australia	-	-	196,694	20,554,623	56,958
Vanguard LifeStrategy® Balanced Fund	65,255,850	-	Australia	-	-	798,039	66,053,889	192,833
Vanguard LifeStrategy® Growth Fund	69,670,371	-	Australia	-	-	1,717,130	71,387,501	211,749
Vanguard LifeStrategy® High Growth Fund	31,538,629	-	Australia	-	-	1,656,524	33,195,153	97,026
Vanguard Conservative Index Fund	1,493,460,024	1,422,401,994	Australia	1,158,119,704	15.25	64,538,956	135,596,986	25,115,983
Vanguard Balanced Index Fund	3,266,032,163	3,434,691,152	Australia	2,796,525,536	36.81	286,626,302	117,967,313	58,840,860
Vanguard Growth Index Fund	2,369,836,482	2,814,605,435	Australia	2,291,651,745	30.17	514,587,909	69,818,956	46,598,510
Vanguard High Growth Index Fund	642,650,485	809,450,572	Australia	659,054,656	8.68	204,895,539	38,095,452	13,163,804
Vanguard Diversified Bond Index Fund	251,274,440	299,418,614	Australia	243,786,636	3.21	66,779,291	18,635,117	5,097,552
Vanguard Super	74,672,167	176,494,729	Australia	143,702,008	1.89	106,482,088	4,659,526	2,345,834



# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 16 Related party transactions (continued)

### Related party unitholdings (continued)

Vanguard Global Aggregate Bond Index Fund (Hedged)								
30 Jun 2023 Unitholder	Number of units held opening Units	Number of units held closing Units	Country of Establishment and Principal Place of Business	Fair value of investments \$	Interest held at year end %	Number of units acquired Units	Number of units disposed Units	Distributions paid/payable by the Fund \$
Vanguard Index Diversified Bond Fund	45,497,149	41,403,776	Australia	33,789,621	0.48	1,545,236	5,638,609	630,244
Vanguard LifeStrategy® Conservative Fund	21,881,673	20,357,929	Australia	16,614,105	0.24	1,223,520	2,747,264	309,994
Vanguard LifeStrategy® Balanced Fund	64,877,090	65,255,850	Australia	53,255,299	0.76	4,156,937	3,778,177	955,655
Vanguard LifeStrategy® Growth Fund	64,572,768	69,670,371	Australia	56,857,990	0.81	6,548,301	1,450,698	1,001,365
Vanguard LifeStrategy® High Growth Fund	28,156,477	31,538,629	Australia	25,738,675	0.37	4,801,249	1,419,097	446,214
Vanguard Conservative Index Fund	1,573,830,317	1,493,460,024	Australia	1,218,812,727	17.43	53,200,585	133,570,878	22,430,712
Vanguard Balanced Index Fund	3,110,694,292	3,266,032,163	Australia	2,665,408,849	38.12	237,354,533	82,016,662	47,535,629
Vanguard Growth Index Fund	2,090,821,460	2,369,836,482	Australia	1,934,023,554	27.66	326,554,348	47,539,326	33,715,601
Vanguard High Growth Index Fund	508,597,541	642,650,485	Australia	524,467,061	7.50	180,923,580	46,870,636	8,838,144
Vanguard Diversified Bond Index Fund	245,595,477	251,274,440	Australia	205,065,071	2.93	27,790,021	22,111,058	3,638,170
Vanguard Super	-	74,672,167	Australia	60,939,956	0.87	76,938,363	2,266,196	662,314

### Investments

The Funds did not hold any investments in Vanguard Investments Australia Ltd during the year.

The Funds did not hold any investments in other schemes managed by the Responsible Entity or its related parties.

### Significant related party transactions

At unitholder meetings held on 15 August 2023, the unitholders of each Vanguard Investor Fund approved the implementation of a proposal which involves unitholders exchanging their units in a Vanguard Investor Fund with units in a corresponding Vanguard Wholesale Fund to be held through the Vanguard Personal Investor platform.

On 5 October 2023, the Responsible Entity executed the proposal for each Vanguard Investor Fund through a process where each unitholder exchanged their units in the Vanguard Investor Fund with units of equivalent value in the corresponding Vanguard Wholesale Fund, to be held through the Vanguard Personal Investor platform (or redeemed in the case of foreign residents and small balance account holders). Following these steps, each corresponding Vanguard Wholesale Fund held units in the applicable Vanguard Investor Fund (that had been transferred from unitholders) and each Vanguard Investor Fund continued to hold units in the corresponding Vanguard Wholesale Fund, or in the case of the Vanguard Investor Funds that are diversified funds, units in the relevant underlying funds.

In order to terminate the units in each Vanguard Investor Fund that had been acquired by the corresponding Vanguard Wholesale Fund, each Vanguard Investor Fund then redeemed their units in the corresponding Vanguard Wholesale Fund at the applicable unit price, or in the case of the Vanguard Investor Funds that are diversified funds, transferred their investments to the corresponding Vanguard Wholesale Fund. To satisfy the redemption or transfer of investments, the corresponding Vanguard Wholesale Fund issued a promissory note to the applicable Vanguard Investor Fund equal to the value of the units redeemed or investments transferred. After this, each corresponding Vanguard Wholesale Fund redeemed their units in the applicable Vanguard Investor Fund. This redemption was satisfied by the promissory note being indorsed back to the corresponding Vanguard Wholesale Fund, upon which the promissory note was cancelled as reflected in the following table for Vanguard Short Term Fixed Interest Fund.

Vanguard Short Term Fixed Interest Fund				
30 Jun 2024	Fair value of investments opening	Amount of investments purchased	Amount of investments sold	Fair value of investments closing
Investments	\$	\$	\$	\$
Vanguard Investor Short Term Fixed Interest Fund	-	12,000,277	12,000,277	-



# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 16 Related party transactions (continued)

### Other transactions within the Funds

Apart from those details disclosed in this note, no directors have entered into a material contract with the Funds during the financial year and there were no material contracts involving directors' interests subsisting at year end.

## 17 Responsible Entity's fees

	Vanguard Australian Inflation-Linked Bond Index Fund		Vanguard Short Term Fixed Interest Fund		Vanguard Cash Reserve Fund	
	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000
Responsible Entity's fees incurred by the Funds	1,016	1,111	433	506	806	919
Management costs per annum	0.29%	0.29%	0.19%	0.19%	0.15%	0.15%

	Vanguard Australian Corporate Fixed Interest Index Fund				Vanguard Australian Fixed Interest Index Fund			
	Wholesale Class		ETF Class		Wholesale Class		ETF Class	
	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000
Responsible Entity's fees incurred by the Funds	486	655	1,299	1,165	10,929	10,576	1,822	2,094
Management costs per annum	0.24%	0.24%	0.20%	0.20%	0.19%	0.19%	0.10%	0.10%

	Vanguard Australian Government Bond Index Fund				Vanguard Global Aggregate Bond Index Fund (Hedged)			
	Wholesale Class		ETF Class		Wholesale Class		ETF Class	
	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000
Responsible Entity's fees incurred by the Funds	1,601	1,375	1,889	1,616	17,520	16,682	2,124	1,237
Management costs per annum	0.24%	0.24%	0.16%*	0.20%	0.24%	0.24%	0.20%	0.20%

\* Effective 27 March 2024 the rate reduced from 0.20% to 0.16%.

	Vanguard International Credit Securities Index Fund (Hedged)				Vanguard International Fixed Interest Index Fund (Hedged)			
	Wholesale Class		ETF Class		Wholesale Class		ETF Class	
	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000
Responsible Entity's fees incurred by the Funds	1,211	1,085	448	525	3,559	3,120	1,620	1,405
Management costs per annum	0.32%	0.32%	0.30%	0.30%	0.26%	0.26%	0.20%	0.20%

	Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)					
	ETF Class		AUD Hedged Class		NZD Hedged Class	
	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000	30 Jun 2024 \$'000	30 Jun 2023 \$'000
Responsible Entity's fees incurred by the Funds	185	178	275	173	1,945	3,130
Management costs per annum	0.26%	0.26%	0.28%	0.28%	0.28%	0.28%

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 18 Interest income

The following table details the interest income earned by the Funds during the year:

	2024			2023		
	Average Balance \$'000	Interest \$'000	Average Rate %	Average Balance \$'000	Interest \$'000	Average Rate %
<b>Vanguard Australian Inflation-Linked Bond Index Fund</b>						
Fixed interest securities - domestic	346,806	6,245	1.80%	383,275	6,737	1.76%
<b>Vanguard Short Term Fixed Interest Fund</b>						
Fixed interest securities - domestic	226,916	5,809	2.56%	263,029	5,001	1.90%
<b>Vanguard Cash Reserve Fund</b>						
Fixed interest securities - domestic	493,136	21,337	4.33%	568,530	16,734	2.94%
<b>Vanguard Australian Corporate Fixed Interest Index Fund</b>						
Fixed interest securities - domestic	849,127	32,892	3.87%	851,900	30,080	3.53%
<b>Vanguard Australian Fixed Interest Index Fund</b>						
Fixed interest securities - domestic	7,592,975	226,040	2.98%	7,111,185	203,408	2.86%
<b>Vanguard Australian Government Bond Index Fund</b>						
Fixed interest securities - domestic	1,653,594	46,688	2.82%	1,401,243	37,848	2.70%
<b>Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)</b>						
Fixed interest securities - international	852,359	23,518	2.76%	1,175,622	27,544	2.34%
<b>Vanguard Global Aggregate Bond Index Fund (Hedged)</b>						
Fixed interest securities - international	8,349,400	235,488	2.82%	7,544,969	176,776	2.34%
<b>Vanguard International Credit Securities Index Fund (Hedged)</b>						
Fixed interest securities - international	525,803	17,943	3.41%	509,578	15,715	3.08%
<b>Vanguard International Fixed Interest Index Fund (Hedged)</b>						
Fixed interest securities - international	2,160,255	48,130	2.23%	1,911,081	33,415	1.75%

Interest revenue is recognised on an entitlements basis, and is shown in the income statement as part of net gains/losses on financial instruments designated at fair value. This is due to the discount securities and fixed interest securities being classified as financial instruments designated at fair value through profit or loss upon initial recognition, as detailed in note 2(b).

## 19 Securities Collateral

The aggregate amount of securities provided as collateral under agreement with the counterparty are set out below:

	30 Jun 2024	30 Jun 2023
	Carrying amount of transferred assets \$'000	Carrying amount of transferred assets \$'000
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	5,008	7,135
Vanguard Global Aggregate Bond Index Fund (Hedged)	-	18,539
Vanguard International Credit Securities Index Fund (Hedged)	-	4,704
Vanguard International Fixed Interest Index Fund (Hedged)	-	890

## 20 Operating segments

Operating segments are reported in a manner consistent with internal reporting used by the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Directors of the Responsible Entity. The Funds' investments are managed on a single portfolio basis in one operating segment, being investments in fixed interest securities, money market securities, derivatives and cash and cash equivalents, and performance is reviewed against the Funds' investment objective.

# Notes to the financial statements (continued)

For the year ended 30 June 2024

## 21 Events occurring after the reporting period

There are no significant events that have occurred since balance date which would impact on the financial position of the Funds as disclosed in the balance sheet as at 30 June 2024 or on the results and cash flows of the Funds for the year ended on that date.

## 22 Contingent assets, contingent liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2024 (30 June 2023: Nil).

## Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 11 to 79 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the Funds' financial position as at 30 June 2024 and of their performance, as represented by the results of their operations for the financial year ended on that date.
- (b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable.
- (c) Note 2(a) confirms that the financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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



Daniel Shrimski  
*Managing Director, Vanguard Investments Australia Ltd*  
Melbourne  
4 September 2024



## Independent auditor's report

To the unitholders of:

- Vanguard Australian Inflation-Linked Bond Index Fund
- Vanguard Short Term Fixed Interest Fund
- Vanguard Cash Reserve Fund
- Vanguard Australian Corporate Fixed Interest Index Fund\*
- Vanguard Australian Fixed Interest Index Fund\*
- Vanguard Australian Government Bond Index Fund\*
- Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)\*
- Vanguard Global Aggregate Bond Index Fund (Hedged)\*
- Vanguard International Credit Securities Index Fund (Hedged)\*
- Vanguard International Fixed Interest Index Fund (Hedged)\*

referred to collectively as the Vanguard Wholesale Fixed Income Funds and ETFs

\*denotes listed Funds

### Report on the audit of the financial report

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#### Our opinion

In our opinion:

The accompanying financial report of Vanguard Wholesale Fixed Income Funds and ETFs (the Funds) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Funds' financial positions as at 30 June 2024 and of their financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### What we have audited

The financial report comprises:

- the balance sheets as at 30 June 2024
- the statements of comprehensive income for the year then ended
- the statements of changes in equity for the year then ended
- the statements of cash flows for the year then ended
- the notes to the financial statements, including material accounting policy information and other explanatory information
- the directors' declaration.



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### **Basis for opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

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

### **Independence**

We are independent of the Funds in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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### **Our audit approach**

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Funds, their accounting processes and controls and the industry in which the Funds operate.

### **Audit Scope**

- Our audit focused on where the Funds made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
  - Our audit approach reflects the nature of the investments held by the Funds and the consideration of the work undertaken by third-party service providers (service providers). The key service providers relevant to our audit is the administrator and custodian, who maintain the accounting records of the Funds and provides custody services for the investments.

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### **Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matter was addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit Committee.

## Key audit matter

### **Valuation and Existence of Investments in financial assets at fair value through profit or loss and financial liabilities at fair value through profit or loss**

*Refer to note 2 (Summary of material accounting policies) and note 5 (Fair value measurement)*

At 30 June 2024, investments in financial assets at fair value through profit or loss and financial liabilities at fair value through profit or loss (hereinafter referred to as "investments") comprised primarily of investments in fixed interest securities (i.e. repurchase agreements), money market securities and derivatives (i.e. foreign currency forward contracts).

Investments are a key audit matter because they represent the principal element of the balance sheets. A discrepancy in the valuation or existence of investments could cause the net asset value to be materially misstated which would also impact the Funds' reported performance as the valuation of investments is the main driver of movements in the profit of the Funds.

## How our audit addressed the key audit matter

To assess the design and operating effectiveness of the service providers' relevant controls, we performed the following procedures, amongst others for each relevant service provider:

- inspected the most recent reports provided to Vanguard Investments Australia Ltd (the Responsible Entity) by the service provider setting out the controls in place at the service provider, which included an audit opinion from the service provider's auditor over the design and operating effectiveness of those controls; and
- developed an understanding of the control objectives and associated control activities and evaluated the results of the tests undertaken and the conclusions formed by the service provider's auditor on the design and operating effectiveness of controls, to the extent relevant to our audit of the Funds.

We inspected the audit report issued by relevant service provider's auditor on the valuation and existence of the Fund's investments held in custody as at balance sheet date. We compared the value of the investments at 30 June 2024 as recorded in the Funds' financial report and underlying accounting records to this report.

For investments not held in custody by the custodian, we performed the following procedures, amongst others:

- For a selection of foreign currency forward contracts held at year end, we obtained a written confirmation from the counterparties and compared the confirmed balances to the Funds' accounting records.
- We obtained the trade tickets for material repurchase agreements and compared the loan amounts to the Funds' accounting records.
- We compared the loan amounts for material



#### Key audit matter

#### How our audit addressed the key audit matter

repurchase agreements to cash settlement as reflected in the bank accounts after year end.

#### Other information

The directors of the Responsible Entity (the directors) are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

#### Responsibilities of the directors for the financial report

The directors are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Funds to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Funds or to cease operations, or have no realistic alternative but to do so.





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### Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf), for the listed funds and [https://www.auasb.gov.au/auditors\\_responsibilities/ar5.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar5.pdf), for the unlisted funds. These descriptions form part of our auditor's report.

A stylized, handwritten signature of PricewaterhouseCoopers.

PricewaterhouseCoopers

A handwritten signature of Adrian Gut.

Adrian Gut  
Partner

Melbourne  
4 September 2024

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