

Spire Capital Master Fund

ABN 53 429 443 778

General purpose financial report for the period 11 March 2019 to 30 June 2019

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Trust Directory

Trustee and Issuer

Spire Capital Pty Ltd
Level 30, Suite 4 Governor Macquarie Tower,
1 Farrer Place Sydney NSW 2000 Australia
Telephone: +61 2 9047 8800

Directors of the Trustee

Matthew Cook
Dale Holmes
Stuart Haigh

Investment Manager

Spire Investment Pty Ltd
Level 30, Suite 4 Governor Macquarie Tower,
1 Farrer Place Sydney NSW 2000 Australia
Telephone: +61 2 9047 8800

Administrator

Unity Fund Services Pty Ltd
Level 8, 25 Bligh Street
Sydney NSW 2000
Telephone: + 61 2 8277 0070

Registry

One Registry Services Pty Limited
Level 11, 20 Hunter Street
Sydney NSW 2000
Telephone: + 61 2 8188 1510

Custodian

One Managed Investment Funds Limited
Level 11, 20 Hunter Street
Sydney NSW 2000
Telephone: + 61 2 8277 0000

Auditor

KPMG
Level 38 Tower Three
300 Barangaroo Avenue
Sydney NSW 2000
Telephone: + 61 2 9335 7000

Trustee's Report

The directors of Spire Capital Pty Limited (ABN 21 141 096 120, AFSL 344365) (the "Trustee"), the trustee of Spire Capital Master Fund, submit herewith the consolidated financial report of Spire Capital Master Fund (the "Fund") and its subsidiary for the period ended 30 June 2019.

Principal Activities

The Fund is an unlisted registered managed investment scheme, incorporated and domiciled in Australia.

The principal activity of the Fund is to invest in a range of assets through segregated unit trusts.

The Fund did not have any employees during the period.

Information about the Directors of the Trustee

The names of the directors of the Trustee who held office during the reporting period and up to the date of this report are:

Name	Date of Appointment
Matthew Cook	11 March 2019
Dale Holmes	11 March 2019
Stuart Haigh	1 July 2019

Value of Assets and Units Issued

The total value of the Fund's assets as at 30 June 2019 was \$5,260,837. The total number of units on issue as at 30 June 2019 was 3,674,852.35.

Review of Operations

Results

The results of the operations of the Fund are disclosed in the Consolidated Statement of Profit or Loss and Other Comprehensive Income of this consolidated financial report. The loss attributable to unitholders for the period ended 30 June 2019 was \$86,736.

Fees Paid To and Interests Held in the Fund by the Trustee or its Associates

Fees charged by the Trustee and its associates during the period are disclosed in Note 10 of the consolidated financial report.

Significant Changes in State of Affairs

In the opinion of the directors, other than the matters identified in this consolidated financial report, there were no significant changes in the state of affairs of the Fund that occurred during the period.

Subsequent Events

There has not been any other matter or circumstances occurring subsequent to the end of the period that has significantly affected, or may significantly affect, the operations of the Fund, the results of the Fund, or the state of affairs of the Fund in future financial years.

Trustee's Report (continued)

Commitments and Contingencies

As a single limited partner, the Fund, through its series sub-trust, as at the end of the period will commit capital amounting to US\$3.3 million into the underlying fund (Bridge Multifamily IV Australian Feeder (USD) LP) progressively during the capital raising period. It is also expected to pay an estimated 2%-4% equalisation premium which is paid to earlier Limited Partners to compensate them for the dilution of their interest in the underlying fund's current portfolio.

Apart from the above, there were no outstanding contingent assets, liabilities or commitments as at 30 June 2019.

Likely Developments

The Fund will continue to be managed in accordance with the Trust Deed and investment objectives as detailed in the Information Memorandum.

Environmental Regulation and Performance

The operations of the Fund are not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory. There have been no known significant breaches of any other environmental requirements applicable to the Fund.

Indemnification of Directors, Officers and Auditors

During the period ended 30 June 2019, the Trustee paid a premium in respect of a contract insuring the directors of the Trustee against liability incurred as directors or executive officers. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Trustee has not otherwise, during or since the end of the period, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Trustee or of any related body corporate against a liability of such an officer or auditor.

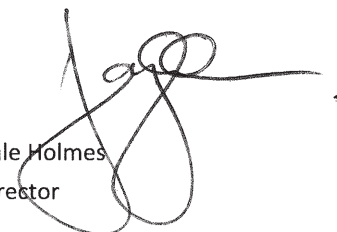
Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act 2001 is set out on page 21.

On behalf of the directors of the Trustee, Spire Capital Pty Limited.



Matthew Cook
Director



Dale Holmes
Director

Sydney
3 October 2019

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 June 2019

		Period from 11 March 2019 to 30 June 2019
	Notes	\$
Revenue		
Interest income		905
Net foreign exchange loss on cash and cash equivalents		(65,392)
Net loss		(64,487)
Expenses		
Administration expenses	4	9,270
Audit fee		12,979
Total expenses		22,249
Net loss for the period		(86,736)
Other comprehensive income for the period		-
Total comprehensive loss for the period attributable to unitholders		(86,736)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position as at 30 June 2019

	Notes	As at 30 June 2019 \$
Assets		
Current assets		
Cash and cash equivalents	9	5,115,399
Other current assets	6	145,438
Total current assets		5,260,837
Total assets		5,260,837
Liabilities		
Current liabilities		
Trade and other payables	7	22,573
Total current liabilities		22,573
Total liabilities		22,573
Net assets attributable to unitholders		5,238,264

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Net Assets Attributable to Unitholders for the period ended 30 June 2019

	Notes	Period from 11 March 2019 to 30 June 2019 \$
Balance as at 11 March 2019		-
Units issued during the period		5,325,000
Total comprehensive loss for the period		(86,736)
Balance as at 30 June 2019		<u>5,238,264</u>

The above Consolidated Statement of Changes in Net Assets Attributable to Unitholders should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows for the period ended 30 June 2019

	Notes	Period from 11 March 2019 to 30 June 2019 \$
Cash flows from operating activities		
Interest income received		905
Payments to suppliers		(114)
Net cash provided by operating activities	9(b)	791
Cash flows from financing activities		
Proceeds from units issued		5,180,000
Net cash provided by financing activities		5,180,000
Net increase in cash and cash equivalents		5,180,791
Cash and cash equivalents at beginning of the period		-
Net foreign exchange loss on cash and cash equivalents		(65,392)
Cash and cash equivalents at the end of the period	9(a)	5,115,399

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements
For the period ended 30 June 2019**1. General Information**

This consolidated financial report covers Spire Capital Master Fund (the “Fund”) and its subsidiary. The Fund was established on 11 March 2019 and commenced operations via allotting units to unitholders on 29 May 2019. It is an unregistered unit trust that invests in a range of assets through segregated units trusts.

The trustee of the Fund is Spire Capital Pty Ltd (ACN 141 096 120) (the “Trustee”). The Trustee’s registered office and principal place of business is Level 30, Suite 4 Governor Macquarie Tower, 1 Farrer Place Sydney NSW 2000.

The Fund has a right to establish new classes of units (each a Series) and each Series will provide investors exposure to the assets held by an interposed unit trust (each a Series Sub-Trust) where the Fund makes an investment in the Series Sub-Trust.

As of 30 June 2019, the Fund has Spire USA Multifamily Fund IV (AUD) as its series sub-trust. The series sub-trust is treated as a subsidiary of the Fund.

The consolidated financial statements were authorised for issue by the directors on 3 October 2019.

2. Adoption of New and Revised Accounting Standards***a) Adoption of new and revised accounting standards***

The Fund has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (“AASB”) that are relevant to its operations and are effective for the current financial reporting period ended 30 June 2019.

b) Standards and Interpretations in issue not yet adopted

Standards and Interpretations that are not expected to have a material impact on the Fund have not been included.

3. Significant Accounting Policies

The following significant accounting policies have been adopted in the preparation and presentation of the consolidated financial statements.

a) Statement of compliance

In the opinion of the directors of the Trustee, the Fund is not publicly accountable. These consolidated financial statements are Tier 2 general purposed consolidated financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements adopted by the Australian Accounting Standards Board and the Corporations Act 2001. These consolidated financial statements comply with Australian Accounting Standards – Reduced Disclosure Requirements.

b) Functional and presentation currency

The consolidated financial statements are presented in Australian dollars, which is the Fund’s functional currency.

c) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except where otherwise stated.

d) Going concern basis

These consolidated financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

3. Significant Accounting Policies (continued)***e) Principle of consolidation*****Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the Fund has control. The Fund controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Fund. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Fund refer to Note 3(f). Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated.

f) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Fund. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition-date. On an acquisition-by-acquisition basis, the Fund recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

g) Use of judgments and estimates

The Fund makes assumptions and judgements 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.

h) Revenue and income recognition**Interest income**

Interest income is recognised as the interest accrues (using the effective interest rate method, which is the rate that exactly discounts future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

i) Expenses

All expenses are recognised in the statement of income or loss and other comprehensive income on an accruals basis.

j) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to cash and which are subject to an insignificant risk of changes in value.

3. Significant Accounting Policies (continued)***k) Foreign currency translation***

Assets and liabilities denominated in foreign currencies are translated into Australian dollar amounts at the period-end exchange rates. Purchases and sales of investments and income and expenses that are denominated in foreign currencies are translated into Australia dollar amounts at the prevailing rate of exchange on the transaction date.

l) Financial instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Fund becomes a party to the contractual provisions of the financial instrument.

- **Financial assets**

(a) Recognition and initial measurement

On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (i) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset shall be measured at fair value unless it is measure at amortised cost.

(b) Subsequent measurement***Financial assets at amortised cost***

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, gain exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or distribution income, are recognised in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(c) Derecognition

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire or are transferred and no longer controlled by the entity.

Notes to the Financial Statements
For the period ended 30 June 2019**3. Significant Accounting Policies (continued)****l) Financial instruments (continued)****• Financial liabilities****(a) Classification and measurement**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability classified as at FVTPL if its is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measure at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(b) Derecognition

A financial liability is removed from the Statement of Financial Position when the obligation specified in the contract is discharged or cancelled or expires.

m) Taxation

Under the current tax legislation, the Fund is not subject to income tax provided that the unitholders are presently entitled to the income of the Fund and that the Fund entirely distributes its taxable income.

There is no income of the Fund to which the unitholders are not currently entitled. As a result, deferred taxes have not been recognised in the financial statements in relation to the differences between carrying amounts of assets and liabilities and their respective tax bases. This includes taxes on capital gains which could arise in the event of a sale of investments for the amount at which they are stated in the financial statements. In the event that the taxable gains are realised by the Fund, these gains would be included in the taxable income and assessable in the hands of the unitholders.

n) Distributions

The Fund distributes its distributable income, calculated in accordance with the Fund's Trust Deed and applicable tax legislation, to unitholders who are presently entitled to the income under the Fund's Trust Deed.

o) Trade and other payables

Payables include liabilities and accrued expenses owing by the Fund which are unpaid as at balance sheet date. Accruals and payables stated are inclusive of non-recoverable goods and services tax.

The distribution amount payable to unitholders as at the reporting date is recognised separately on the statement of financial position when unitholders are entitled to the distributable income under the Fund's Trust Deed.

p) Applications and redemptions

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

Notes to the Financial Statements
For the period ended 30 June 2019
3. Significant Accounting Policies (continued)
q) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST") except:

- where the amount of GST is not recoverable from the taxation authority, it is recognised as part of the acquisition of an asset or part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is recognised as a receivable or payable on the Consolidated Statement of Financial Position. Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis.

The GST component of cash flows arising from investing activities which is recoverable from or payable to the taxation authority is classified as operating cash flow.

The GST incurred on the costs of various services provided to the Fund by third parties such as audit fees, management fees, administration fees and legal fees were subjected to the Reduced Input Tax Credits ("RITC") in accordance with legislation.

4. Administration Expenses

	Period from 11 March 2019 to 30 June 2019 \$
Management fees	2,122
Fund accounting fees	4,100
Registry fees	958
Custody fees	1,887
Bank fees	113
Total for the period	9,270

5. Auditor's Remuneration

	Period from 11 March 2019 to 30 June 2019 \$
KPMG Australia – Review of financial statements	12,979
Total for the period	12,979

Notes to the Financial Statements
For the period ended 30 June 2019
6. Other Current Assets

	As at 30 June 2019 \$
GST receivable	438
Other receivable	145,000
Balance at the end of the period	145,438

7. Trade and Other Payables

	As at 30 June 2019 \$
Management fees	2,212
Fund accounting fees	4,400
Registry fees	958
Custody fees	2,024
Audit fees	12,979
Balance at the end of the period	22,573

8. Net Assets Attributable to Unitholders

	Units	\$
Balance at 11 March 2019	-	-
Units issued during the period	3,674,852.35	5,325,000
Total comprehensive loss	-	(86,736)
Balance at 30 June 2019	3,674,852.35	5,238,264

Notes to the Financial Statements
For the period ended 30 June 2019
9. Cash and Cash Equivalents

- a) Cash and cash equivalents include cash on hand and cash at bank. Cash at the end of the period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	As at 30 June 2019 \$
Cash at bank	5,115,399
Total cash and cash equivalents	5,115,399

- b) Reconciliation of net income attributable to unitholders for the period to net cash used in operating activities:

	Period from 11 March 2019 to 30 June 2019 \$
Total comprehensive loss	(86,736)
Net foreign currency exchange adjustment	65,392
Change in assets and liabilities:	
Decrease in in other current assets	(438)
Increase in trade and other payables	22,573
Net cash provided by operating activities	791

10. Related Party Transactions

Transactions with related parties have taken place at arm's length and in the ordinary course of business.

Transactions with Trustee and its associated entities

The key management personnel of the Trustee for the financial period ended 30 June 2019 were:

Name	Title
Matthew Cook	Director
Dale Holmes	Director
Stuart Haigh	Director

Key management personnel of the Trustee and their associated entities did not hold any units in the Fund as at 30 June 2019.

No fees or remuneration was paid directly to the key management personnel of the Trustee from the Fund during the period.

Trustee fee

The Trustee is entitled to receive out of assets of the Fund a fee which may be waived in accordance with the Trust Deed dated on 11 March 2019.

Trustee fees were not charged for the period ended 30 June 2019.

Notes to the Financial Statements
For the period ended 30 June 2019
10. Related Party Transactions (continued)
Management fee

Management fees of \$2,212 were incurred and payable for the period ended 30 June 2019 to Spire Investment Pty Ltd, a wholly owned subsidiary of the Trustee. Refer to Note 4.

There were no other fees paid or payable to the Trustee for the financial period ended 30 June 2019.

11. Financial Risk Management

The most important types of financial risks to which the Fund is exposed to are market risk, credit risk and liquidity risk. The exposure to each of these risks, as well as the Fund's policies and processes for managing these risks are described below.

a) Market Risk

Market risk embodies the potential for both loss and gains and includes interest rate risk and other price risk. The Fund's strategy on the management of investment risk is driven by the Fund's investment objective. The Fund's market risk is managed as required by the Trustee in accordance with the investment guidelines as outlined in the Fund's Trust Deed.

Cash flow and fair value interest rate risk

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

The Fund's cash and cash equivalents expose it to a risk of change in the fair value or future cash flows due to changes in interest rates.

The table below summarises the Fund's exposure to interest rate risk.

As at 30 June 2019	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	5,115,399	-	-	5,115,399
Other assets	-	-	145,438	145,438
Total financial assets	5,115,399	-	145,438	5,260,837
Financial liabilities				
Trade and other payables	-	-	22,573	22,573
Total financial liabilities	-	-	22,573	22,573
Net exposure	5,115,399	-	122,865	5,238,264

Notes to the Financial Statements
For the period ended 30 June 2019
11. Financial Risk Management (continued)
a) Market Risk (continued)

Sensitivity of profit or loss to movements in market interest rates for financial instruments with fair value risk:

	As at 30 June 2019 \$ Increase/(Decrease)
Market interest rate increased by 100 basis points	51,154
Market interest rate decreased by 100 basis points	(51,154)

Foreign exchange risk

The Fund holds monetary assets denominated in currency other than the Australian dollar. Foreign exchange risk arises as the value of monetary assets denominated in other currency will fluctuate due to changes in exchange rates.

The table below summarises the Fund's monetary financial assets which are denominated in a currency other than the Australian dollar.

	As at 30 June 2019 US Dollars AU \$
Monetary	
Cash and cash equivalents	4,800,858
Total	4,800,858

Sensitivity of profit or loss to fluctuations in AUD/USD exchange rates:

	As at 30 June 2019 \$ Decrease/(Increase)
AUD/USD strengthened by 75 basis points	(17,709)
AUD/USD weakened by 75 basis points	17,709

Notes to the Financial Statements
For the period ended 30 June 2019
11. Financial Risk Management (continued)
b) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss.

The Fund's maximum credit risk exposure at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the balance sheet. This does not represent the maximum risk exposure that could arise in the future as a result of changes in values, but best represents the current maximum exposure at reporting date.

The Fund determines credit risk and minimises the losses which could arise from default by ensuring that parties to contractual arrangements are of appropriate credit rating, or do not show a history of defaults. Financial assets such as cash at bank and all receivables are held with high credit quality financial institutions (rated equivalent A or higher by the major rating agencies) and counterparties.

At the end of the reporting period, management consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised.

c) Liquidity Risk

Liquidity risk is the risk that the Fund 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.

The Investment Manager monitors its exposure to liquidity risk by ensuring that as required there is sufficient cash on hand to meet the contractual obligations of financial liabilities as they fall due.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period. The amounts in the table are the contractual undiscounted cash flows.

As at 30 June 2019	Less than 1 month \$	1 month to 12 months \$	1 year and more \$
Trade and other payables	6,424	16,149	-
Contractual cash flows	6,424	16,149	-

Notes to the Financial Statements
For the period ended 30 June 2019
12. Fair Value Measurement

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

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

The Fund has no assets or liabilities measured at fair value in the current reporting period.

13. Parent Entity Disclosures

As at, and throughout, the financial period ending 30 June 2019, the parent entity was the Spire Capital Master Fund.

	Period from 11 March 2019 to 30 June 2019
	\$
Result of Operations	
Loss for the period	21,584
Other comprehensive income	-
Total comprehensive loss for the period	21,584

	As at 30 June 2019 US Dollars AU \$
Financial Position	
Cash and cash equivalents	264,301
Receivables	50,438
Total current assets	314,739
Investment in sub-trust	5,011,250
Total non-current assets	5,011,250
Total Assets	5,325,989
Trade and other payables	22,574
Total current liabilities	22,574
Net assets attributable to unitholders - Equity	5,303,415

Notes to the Financial Statements
For the period ended 30 June 2019**13. Parent Entity Disclosures (continued)**

Information on the consolidated entity is presented below:

Name	Country of Incorporation	Ownership Percentage
Spire USA Multifamily Fund IV (AUD)	Australia	100 percent

14. Subsequent Events

There has not been any other matter or circumstances occurring subsequent to the end of the financial period that has significantly affected, or may significantly affect, the operations of the Fund, the results of the Fund, or the state of affairs of the Fund in future financial years.

15. Commitments and Contingencies

As a single limited partner, the Fund, through its series sub-trust, as at the end of the period will commit capital amounting to US\$3.3 million into the underlying fund (Bridge Multifamily IV Australian Feeder (USD) LP) progressively during the capital raising period. It is also expected to pay an estimated 2%-4% equalisation premium which is paid to earlier Limited Partners to compensate them for the dilution of their interest in the underlying fund's current portfolio.

Apart from the above, there were no outstanding contingent assets, liabilities or commitments as at 30 June 2019.

Trustee's Declaration

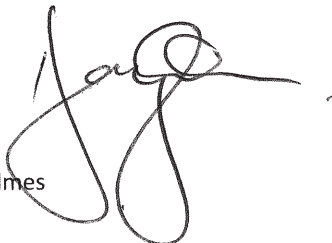
In the opinion of the directors of the Trustee:

- (a) the Fund is not publicly accountable;
- (b) the consolidated financial statements and notes that are set out on pages 4 to 19 to are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Fund's financial position as at 30 June 2019 and of its performance for the reporting period ended on that date; and
 - (ii) complying with Australia Accounting Standards – Reduced Disclosure Requirements;
- (c) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

On behalf of the directors of the Trustee, Spire Capital Pty Ltd.



Matthew Cook
Director



Dale Holmes
Director

Sydney
3 October 2019



Independent Auditor's Report

To the Trustee of Spire Capital Master Fund

Opinion

We have audited the **Financial Report** of Spire Capital Master Fund (the Fund).

In our opinion, the accompanying Financial Report presents fairly, in all material respects, the financial position of the **Group** as at 30 June 2019, and of its financial performance and its cash flows for the period then ended, in accordance with *Australian Accounting Standards - Reduced Disclosure Requirements*.

The **Financial Report** comprises:

- Consolidated statement of financial position as at 30 June 2019
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the period from 11 March 2019 to 30 June 2019
- Notes including a summary of significant accounting policies
- Trustee's Declaration.

The **Group** consists of Spire Capital Master Fund and the sub-funds it controlled at the period end or from time to time during the financial period.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 are independent of the Fund in accordance with the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Restriction on use and distribution

The Financial Report has been prepared to assist the Trustee of Spire Capital Master Fund in meeting the financial reporting requirements of the Trust deed and applicable legislation.

As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



Our report is intended solely for the Trustee of Spire Capital Master Fund and should not be used by or distributed to parties other than the Trustee of Spire Capital Master Fund. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Report to which it relates, to any person other than the Trustee of Spire Capital Master Fund or for any other purpose than that for which it was prepared.

Other Information

Other Information is financial and non-financial information in the Group's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Trustee is responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Trustee for the Financial Report

The Trustee is responsible for:

- the preparation and fair presentation of the Financial Report in accordance with the financial reporting requirements of applicable legislation
- the preparation and fair presentation of the Financial Report for the purpose of expressing an opinion on the effectiveness of the Fund's internal control
- implementing necessary internal control to enable the preparation of a Financial Report that is free from material misstatement, whether due to fraud or error
- assessing the Fund's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial 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: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf. This description forms part of our Auditor's Report.

KPMG

KPMG

A handwritten signature in black ink, appearing to read 'Malcolm Kafer'.

Malcolm Kafer

Partner

Sydney

3 October 2019