

Spire Capital Master Fund

ABN 53 429 443 778

General purpose financial report for the year ended 30 June 2020

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Trust Directory

Trustee and Issuer

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

Directors of the Trustee

Matthew J Cook
Dale M Holmes
Stuart D Haigh

Investment Manager

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Administrator

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Telephone: + 61 2 8277 0070

Registry

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Telephone: + 61 2 8188 1510

Custodian

One Managed Investment Funds Limited
Level 16, Governor Macquarie Tower
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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 year ended 30 June 2020.

Principal Activities

The Fund is an unlisted unregistered 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 year.

Information about the Directors of the Trustee

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

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

Value of Assets

The total value of the Fund's assets as at 30 June 2020 was \$73,623,757 (2019: \$5,260,837).

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 income attributable to unitholders for the year ended 30 June 2020 was \$1,127,620 (2019: loss \$86,736).

There were no distributions for the period 11 March 2019 to 30 June 2019.

The distributions declared during the year were as follows:

	Year ended 30 June 2020	
	AU \$	US \$
Distributions – Spire USA Multifamily Fund IV (AUD) Series		
Distribution	100,706	-
Distributions (cents per unit)	0.2957	-
Distributions – Spire Bridge 2020 K-Series Co-Investment Fund (USD) Series		
Distribution	2,436,160	1,675,834
Distributions (cents per unit)	-	21.5845

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 year are disclosed in Note 12 of the consolidated financial report.

Trustee's Report (continued)

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 year.

Subsequent Events

The coronavirus, COVID-19, was first identified as a new, highly contagious virus in December 2019. The World Health Organisation declared a global pandemic in March 2020 and as at the date of this report, COVID-19 remains prevalent throughout the world, including Australia. COVID-19 has caused unprecedented disruption to populations, businesses and general economic activity. As the situation evolves, it continues to have significant impacts on investment funds and their trustees and managers, both directly and indirectly.

As this situation is continuing, the Trustee has been monitoring both the valuation of the Fund's assets and the Fund's liquidity. The Trustee will continue to closely monitor market situations to ensure that valuations remain appropriate.

Subsequent to the end of the financial year, the Fund created the following Series:

Spire Branford Castle US Private Equity Fund II (AUD)
 Spire Branford Castle US Private Equity Fund II (USD)
 Spire Multifamily Value Fund I (AUD)
 Spire Multifamily Value Fund I (USD) First Close
 Spire Oaktree Opportunities Fund XI (AUD) First Close
 Spire Oaktree Opportunities Fund XI (USD) First Close
 Spire US Data Centre Colocation Fund (AUD)
 Spire Oaktree Opportunities Fund XI (AUD)
 Spire Oaktree Opportunities Fund XI (USD)

There has not been any other matter or circumstances occurring subsequent to the end of the year 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.

Commitments and Contingencies

The below table outlines the Capital Commitments the Fund invests through its Series Sub-Trusts.

As at 30 June 2020		Capital Commitment	Capital Commitment Paid	Capital Commitment Outstanding
Series	Underlying Fund	US \$	US \$	US \$
Spire USA Multifamily Fund IV (AUD)	Bridge Multifamily IV Australian Feeder (USD) LP	33,300,000	17,221,530	16,078,470
Spire Aero Aggregates Fund (AUD)	Valterra Aero Holding LCC	7,204,000	7,204,000	-
Spire Bridge 2020 K-Series Co-investment Fund (USD)	Bridge 2020 K-Series Co-invest Partners LLC	7,665,000	7,665,000	-

Trustee’s Report (continued)

Commitments and Contingencies (continued)

As at 30 June 2019

Series	Underlying Fund	Capital Commitment	Capital Commitment Paid	Capital Commitment Outstanding
		US \$	US \$	US \$
Spire USA Multifamily Fund IV (AUD)	Bridge Multifamily IV Australian Feeder (USD) LP	3,300,000	-	3,300,000

Apart from the above, there were no outstanding contingent assets, liabilities or commitments as at 30 June 2020.

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 year ended 30 June 2020, 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 year, 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.

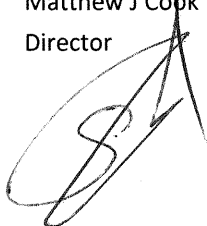
Auditor’s Independence Declaration

A copy of the Auditor’s Independence Declaration as required under Section 307C of the Corporations Act 2001 is set out on page 25.

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



Matthew J Copk
Director



Stuart D Haigh
Director

Sydney
02 October 2020

**Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2020**

	Note	Year ended 30 June 2020 \$	For the period 11 March 2019 to 30 June 2019 \$
Revenue			
Interest income		12,009	905
Distribution income		1,529,738	-
Unrealised gain/(loss) from assets/liabilities		791,991	(65,392)
Realised gain/(loss) from foreign exchange transactions		(209,136)	-
Total revenue/(loss)		2,124,602	(64,487)
Expenses			
Administration expenses	4	400,830	9,270
Professional expenses	5	58,848	12,979
Formation expenses		537,304	-
Total expenses		996,982	22,249
Net income/(loss) attributable to unitholders		1,127,620	(86,736)
Net income/(loss) for the year		1,127,620	(86,736)
Other comprehensive income		-	-
Total comprehensive income/(loss)		1,127,620	(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 2020**

	Note	As at 30 June 2020 \$	As at 30 June 2019 \$
Assets			
Current assets			
Cash and cash equivalents	11	24,180,001	5,115,399
Other current assets	6	1,255,426	145,438
Total current assets		25,435,427	5,260,837
Non-current assets			
Investments	14	48,188,330	-
Total non-current assets		48,188,330	-
Total assets		73,623,757	5,260,837
Liabilities			
Current liabilities			
Trade and other payables	7	129,053	22,573
Distribution payables	9	100,706	-
Total current liabilities		229,759	22,573
Total liabilities (excluding net assets attributable to unitholders)		229,759	22,573
Net assets attributable to unitholders	8	73,393,998	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 year ended 30 June 2020**

	Year ended 30 June 2020 \$	For the period 11 March 2019 to 30 June 2019 \$
Opening net asset attributable to unitholders	5,238,264	-
Units issued during the year	69,564,980	5,325,000
Distributions paid during the year	(2,536,866)	-
Total comprehensive income/(loss)	1,127,620	(86,736)
Closing net asset attributable to unitholders	<u>73,393,998</u>	<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 year ended 30 June 2020

	Year ended 30 June 2020	For the period 11 March 2019 to 30 June 2019
Note	\$	\$
Cashflows from operating activities		
Interest income received	12,009	905
Distribution income received	1,529,738	-
Payments to suppliers	(913,909)	(114)
Net cash provided by operating activities	627,838	791
Cashflows from investing activities		
Loans to related entities	(2,257)	-
Payments for investments	(48,188,330)	-
Net cash provided by investing activities	(48,190,587)	-
Cashflows from financing activities		
Proceeds from issue of units	68,480,656	5,180,000
Distributions paid to unitholders	(2,436,160)	-
Net cash provided by financing activities	66,044,496	5,180,000
Net increase/(decrease) in cash and cash equivalents	18,481,747	5,180,791
Net foreign exchange translation adjustment	582,855	(65,392)
Cash and cash equivalents at the beginning of the year	5,115,399	-
Cash and cash equivalents at the end of the year	24,180,001	5,115,399

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

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 2020, the Fund has the following Series Sub-Trusts. These Series Sub-Trusts are treated as subsidiaries of the Fund.

1. Spire USA Multifamily Fund IV (AUD)
2. Spire Aero Aggregates Fund
3. Spire Aero Holdings Trust
4. Spire Bridge K-Series Co-Investment Fund

The consolidated financial statements were authorised for issue by the Directors on 02 October 2020.

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 year ended 30 June 2020.

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.

3. Significant Accounting Policies *(continued)*

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.

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 acquisition 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.

Distribution income

Distribution income from investments are recognized when the rights to receive the payment is established.

i) Expenses

All expenses are recognised in the Consolidated Statement of Profit or Loss and Other comprehensive Income on an accrual 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 year-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 Consolidated 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:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- 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.

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 Consolidated 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.

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.

3. Significant Accounting Policies (continued)
q) Goods and Services Tax (continued)

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

	Year ended 30 June 2020 \$	For the period 11 March 2019 to 30 June 2019 \$
Management fees	252,989	2,212
Fund accounting fees	43,338	4,100
Registry fees	23,333	958
Custody fees	25,796	1,887
Foreign income tax offsets	48,909	-
Recoverable expenses	2,015	-
Other fees	4,450	113
Total administration expenses	400,830	9,270

5. Professional expenses

	Year ended 30 June 2020 \$	For the period 11 March 2019 to 30 June 2019 \$
Audit fees	32,675	12,979
Tax fees	26,173	-
Total professional expenses	58,848	12,979

6. Other current assets

	As at 30 June 2020 \$	As at 30 June 2019 \$
Calls receivables	1,229,325	-
Receivables from related entities	5,878	-
GST receivable	20,223	438
Other receivable	-	145,000
Total other current assets	1,255,426	145,438

7. Trade and Other Payables

	As at 30 June 2020 \$	As at 30 June 2019 \$
Payable to related entities	3,621	-
Management fees payable	58,173	2,212
Fund administration fees payable	6,270	4,400
Registry fees payable	5,547	958
Custody fees payable	6,663	2,024
Audit fees payable	32,447	12,979
Tax fees payable	16,332	-
Total trade and other payables	129,053	22,573

8. Net Assets Attributable to Unitholders

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

	Year ended 30 June 2020		For the period 11 March 2019 to 30 June 2019	
	Units	\$	Units	\$
Spire USA Multifamily Fund IV (AUD) Series				
Opening balance	3,674,852	5,238,264	-	-
Units issued during the period	30,380,618	44,639,000	3,674,852	5,325,000
Distributions paid	-	(100,706)	-	-
Total comprehensive profit/(loss)	-	691,999	-	(86,736)
Closing balance	34,055,470	50,468,557	3,674,852	5,238,264
Spire Aero Aggregates Fund (AUD) Series				
Opening balance	-	-	-	-
Units issued during the period	12,293,250	12,293,250	-	-
Total comprehensive profit/(loss)	-	(338,144)	-	-
Closing balance	12,293,250	11,955,106	-	-
Spire Bridge 2020 K-Series Co-investment Fund (USD) Series				
Opening balance	-	-	-	-
Units issued during the period	7,764,076	12,632,730	-	-
Distributions paid	-	(2,436,160)	-	-
Total comprehensive profit/(loss)	-	773,765	-	-
Closing balance	7,764,076	10,970,335	-	-
Total net assets attributable to unitholders		73,393,998		5,238,264

9. Distributions to unitholders

There were no distributions declared for the period 11 March 2019 to 30 June 2019.

The distributions declared during the year were as follows:

	Year ended 30 June 2020	
	AU \$	US \$
Distributions – Spire USA Multifamily Fund IV (AUD) Series		
June (payable)	100,706	-
Total distributions	100,706	-
Distributions – Spire Bridge 2020 K-Series Co-investment Fund (USD) Series		
June	2,436,160	1,675,834
Total distributions	2,436,160	1,675,834
	Year ended 30 June 2020	
Total distributions	AU \$ 2,536,866	

10. Structured Entities

A structured entity is an entity that has been designed so that voting or similar are not the dominant factor in deciding who controls entity, and the relevant activities are directed by means of contractual arrangement.

The Fund considers its investments in foreign limited partnerships through its Series Sub-Trusts to be a structured entity. The Fund invests in the foreign limited partnership for the purpose of capital appreciation and earning investment income.

The exposure to investments in the foreign limited partnerships is disclosed in the following table:

There was no exposure to investments in foreign limited partnerships for the period ended 30 June 2019.

	As at 30 June 2020 \$
Bridge Multifamily IV Australian Feeder (USD) LP	26,769,538
Valterra Aero Holdings LLC	10,496,867
Bridge 2020 K-Series Co-Invest Partners LLC	10,921,925
Total investments in foreign limited partnerships	48,188,330

11. Cash and Cash Equivalents

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

	As at 30 June 2020 \$	As at 30 June 2019 \$
Cash at bank	24,180,001	5,115,399
Total cash and cash equivalents	24,180,001	5,115,399

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

	Year ended 30 June 2020 \$	For the period 11 March 2019 to 30 June 2019 \$
Total comprehensive profit/(loss)	1,127,620	(86,736)
Adjustments for:		
Net foreign currency exchange adjustment	2,423,497	65,392
Fair value adjustment of investment	(3,006,352)	-
Changes in assets and liabilities:		
(Increase)/Decrease in other current assets	(19,785)	(438)
Increase/(Decrease) in trade and other payables	102,858	22,573
Net cash provided by operating activities	627,838	791

12. 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 year ended 30 June 2020 were:

Name	Title
Matthew J Cook	Director
Dale M Holmes	Director
Stuart D Haigh	Director

12. Related Party Transactions (continued)

Key management personnel of the Trustee and their associated entities held units in the Fund follows:

There were no key management personnel of the Trustee and their associated entities transactions as at 30 June 2019.

Unitholder	Series	Opening Units	Closing Units	Fair Value of Investment	Interest held	Units Acquired	Units Disposed	Distributions
As at 30 June 2020		(Units)	(Units)	(\$)	(%)	(Units)	(Units)	(\$)
Haigh Asset Management	Spire USA Multifamily Fund IV (AUD)	-	34,312	50,089	0.10%	34,312	-	101
Haigh Asset Management	Spire Aero Aggregates Fund (AUD)	-	23,125	22,489	0.19%	23,125	-	-
Haigh Capital Management Pty Ltd	Spire Aero Aggregates Fund (AUD)	-	115,625	112,445	0.94%	115,625	-	-
Spire Property Partners Pty Ltd	Spire Aero Aggregates Fund (AUD)	-	231,250	224,891	1.88%	231,250	-	-
Faithlydia Pty Ltd	Spire Aero Aggregates Fund (AUD)	-	277,500	269,869	2.26%	277,500	-	-
Spire Property Partners Pty Ltd	Spire Bridge 2020 K-Series Co-investment Fund (USD)	-	250,000	298,700	3.22%	250,000	-	78,443
Haigh Capital Management Pty Ltd	Spire Bridge 2020 K-Series Co-investment Fund (USD)	-	30,000	35,844	0.39%	30,000	-	9,413
Total		-	961,812	1,014,327	8.98%	961,812	-	87,957

Except as disclosed above, no key management personnel have entered into any transactions with the Fund during the financial year and there were no material balances involving key management personnel's interest outstanding at year end. No fees or remuneration was paid directly to the key management personnel of the Trustee from the Fund during the year.

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 year ended 30 June 2020 (2019: nil).

Management fee

Management fees of \$252,989 were incurred for the year ended 30 June 2020 (2019: \$2,212) to Spire Capital Pty Ltd.

Refer to Note 4.

There were no other fees paid or payable to the Trustee for the financial year ended 30 June 2020.

13. 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 2020	Floating interest rate	Non-interest bearing	Total
	\$	\$	\$
Financial assets			
Cash and cash equivalents - floating interest rate	24,180,001	-	24,180,001
Other assets	-	1,255,426	1,255,426
Investments	-	48,188,330	48,188,330
Total financial assets	24,180,001	49,443,756	73,623,757
Financial liabilities			
Trade and other payables	-	129,053	129,053
Distribution payables	-	100,706	100,706
Total financial liabilities	-	229,759	229,759
Net exposure to interest rate risk	24,180,001	49,213,997	73,393,998
As at 30 June 2019	Floating interest rate	Non-interest bearing	Total
	\$	\$	\$
Financial assets			
Cash and cash equivalents - floating interest rate	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 to interest rate risk	5,115,399	122,865	5,238,264

13. Financial Risk Management
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 2020 \$ <u>Increase/(Decrease)</u>	As at 30 June 2019 \$ <u>Increase/(Decrease)</u>
Market interest rate increased by 100 basis points	241,800	51,154
Market interest rate decreased by 100 basis points	(241,800)	(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 2020 US Dollars AU \$	As at 30 June 2019 US Dollars AU \$
Monetary		
Cash and cash equivalents	<u>23,488,515</u>	<u>4,800,858</u>
Total	<u>23,488,515</u>	<u>4,800,858</u>

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

	As at 30 June 2020 \$ <u>Increase/(Decrease)</u>	As at 30 June 2019 \$ <u>Increase/(Decrease)</u>
AUD/USD strengthened by 10%	2,348,852	480,086
AUD/USD weakened by 10%	(2,348,852)	(480,086)

13. Financial Risk Management
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 year, 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 Fund 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 year. The amounts in the table are the contractual undiscounted cash flows.

As at 30 June 2020

	Less than 1 month	1 month to 12 months	1 year and more
	\$	\$	\$
Trade and other payables	-	129,053	-
Distribution payables	-	100,706	-
Contractual cash flows	-	229,759	-

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	-

14. 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)

At 30 June the financial instruments carried at fair value spilt by valuation method is summarised below:

There were no financial assets mandatorily classified at fair value through profit or loss as at 30 June 2019.

As at 30 June 2020	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets mandatorily classified at fair value through profit or loss				
Investments held via unlisted unit trusts	-	-	48,188,330	48,188,330
Total financial assets	-	-	48,188,330	48,188,330

15. Parent Entity Disclosures

As at, and throughout, the financial year ending 30 June 2020, the parent entity was the Spire Capital Master Fund.

Result of Operations	Year ended	For the period
	30 June	11 March 2019
	2020	to 30 June 2019
	\$	\$
Profit/(Loss) for the year/period	1,062,468	(21,584)
Other comprehensive income	-	-
Total comprehensive profit/(loss) for the year/period	1,062,468	(21,584)

15. Parent Entity Disclosures (continued)

Financial Position	As at 30 June 2020 \$	As at 30 June 2019 \$
Current assets		
Cash and cash equivalents	442,983	5,115,399
Receivables	1,826,793	145,438
Total current assets	2,269,776	5,260,837
Non-current assets		
Loans Receivable	6,298,120	-
Investment in sub-trusts	65,048,886	-
Total non-current assets	71,347,006	-
Total assets	73,616,782	5,260,837
Current liabilities		
Trade and other payables	122,078	22,573
Distribution payables	100,706	-
Total current liabilities	222,784	22,573
Net assets attributable to unitholders - liability	73,393,998	5,238,264

Information on the consolidated entity is presented below:

Name	Country of Incorporation	Ownership Percentage
Spire USA Multifamily Fund IV (AUD)	Australia	100 percent
Spire Aero Aggregates Fund	Australia	100 percent
Spire Aero Holdings Trust	Australia	100 percent
Spire Bridge K-Series Co-Investment Fund	Australia	100 percent

16. Subsequent Events

The coronavirus, COVID-19, was first identified as a new, highly contagious virus in December 2019. The World Health Organisation declared a global pandemic in March 2020 and as at the date of this report, COVID-19 remains prevalent throughout the world, including Australia. COVID-19 has caused unprecedented disruption to populations, businesses and general economic activity. As the situation evolves, it continues to have significant impacts on investment funds and their trustees and managers, both directly and indirectly.

As this situation is continuing, the Investment Manager has been monitoring both the valuation of the Fund's assets and the Fund's liquidity. The Investment Manager will continue to closely monitor market situations to ensure that valuations remain appropriate.

Subsequent to the end of the financial year, the Fund created the following Series:

Spire Branford Castle US Private Equity Fund II (AUD)
 Spire Branford Castle US Private Equity Fund II (USD)
 Spire Multifamily Value Fund I (AUD)
 Spire Multifamily Value Fund I (USD) First Close
 Spire Oaktree Opportunities Fund XI (AUD) First Close
 Spire Oaktree Opportunities Fund XI (USD) First Close
 Spire US Data Centre Colocation Fund (AUD)
 Spire Oaktree Opportunities Fund XI (AUD)
 Spire Oaktree Opportunities Fund XI (USD)

There has not been any other matter or circumstances occurring subsequent to the end of the year 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.

17. Commitments and Contingencies

The below table outlines the Capital Commitments the Fund invests through its Series Sub-Trusts.

As at 30 June 2020

Series	Underlying Fund	Capital Commitment	Capital Commitment Paid	Capital Commitment Outstanding
		US \$	US \$	US \$
Spire USA Multifamily Fund IV (AUD)	Bridge Multifamily IV Australian Feeder (USD) LP	33,300,000	17,221,530	16,078,470
Spire Aero Aggregates Fund (AUD)	Valterra Aero Holding LCC	7,204,000	7,204,000	-
Spire Bridge 2020 K-Series Co-investment Fund (USD)	Bridge 2020 K-Series Co-invest Partners LLC	7,665,000	7,665,000	-

As at 30 June 2019

Series	Underlying Fund	Capital Commitment	Capital Commitment Paid	Capital Commitment Outstanding
		US \$	US \$	US \$
Spire USA Multifamily Fund IV (AUD)	Bridge Multifamily IV Australian Feeder (USD) LP	3,300,000	-	3,300,000

Apart from the above, there were no outstanding contingent assets, liabilities or commitments as at 30 June 2020.

Trustee's Declaration

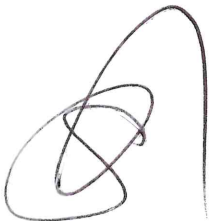
In the opinion of the Directors of the Trustee:

- (a) The Fund is not publicly accountable;
- (b) the consolidated financial statements and notes that are set out on pages 5 to 23 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 2020 and of its performance for the reporting year 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 J Cook
Director



Stuart D Haigh
Director

Sydney
02 October 2020



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 2020, 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 2020.
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in net assets attributable to unitholders, and Consolidated statement of cash flows for the year then ended.
- Notes including a summary of significant accounting policies.
- Trustees' 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 (including Independence Standards)* (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.

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

Malcolm Kafer

Partner

Sydney

2 October 2020