



MQ Gateway Trust

Financial Report

For the year ended 30 June 2010

ARSN 123 784 930

The Responsible Entity of MQ Gateway Trust is MQ Portfolio Management Limited
(ACN 092 552 611)

The Responsible Entity's registered office is:
Mezzanine Level, 1 Martin Place
Sydney NSW 2000

MQ Portfolio Management Limited ACN 092 552 611 (Responsible Entity of MQ Gateway Trust (the "Trust") ARSN 123 784 930) is a wholly owned subsidiary of Macquarie Bank Limited ACN 008 583 542 who in turn is a wholly owned subsidiary of Macquarie Group Limited ACN 122 169 279.

Other than Macquarie Bank Limited ABN 46 008 583 542 ("MBL"), any Macquarie Group entity noted on this page is not an authorised deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia). That entity's obligations do not represent deposits or other liabilities of MBL. MBL does not guarantee or otherwise provide assurance in respect of the obligations of that entity, unless noted otherwise.

This report is not an offer or invitation for subscription or purchase, or a recommendation of securities. It does not take into account the investment objectives, financial situation and particular needs of the investor. Before making an investment in MQ Gateway Trust, the investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment adviser if necessary.

MQ Portfolio Management Limited, as Responsible Entity of the Trust, is entitled to fees for so acting. Macquarie Bank Limited and its related corporations, together with their officers and Directors, may hold units in MQ Gateway Trust from time to time.

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Director's report

For the year ended 30 June 2010

In respect of the year ended 30 June 2010, the Directors of MQ Portfolio Management Limited (the "Responsible Entity") submit the following report together with the financial report of MQ Gateway Trust (the "Trust") made out in accordance with a resolution of the Directors.

Principal activities

The Trust is comprised of several portfolios of assets and liabilities, each referable to a particular Class of Units. Each of these portfolios is called a "Class Portfolio". From the Unit Issue Date to the Maturity Date, the Investment objective of each Class Portfolio is to seek capital protected exposure to the performance of underlying notional assets in a relevant Reference Basket.

The Trust did not have any employees during the period.

There were no significant changes in the nature of the Trust's activities during the period.

Directors

The following persons held office as Directors of MQ Portfolio Management Limited during the year or since the end of the year and up to the date of this report:

Names

Bruce Neil Terry

Scot Thompson

Gervaise Robert John Heddle

Units held by directors or their director related entities are disclosed in note 11 to the financial statements.

Significant changes in state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Trust that occurred during the period which are not otherwise disclosed in this report.

Events subsequent to balance sheet date

As at the date of this report the directors are not aware of any other matters or circumstances which have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Trust, the results of those operations or the state of affairs of the Trust in future financial years subsequent to 30 June 2010 which are not otherwise disclosed in this report.

Likely developments and expected results of operations

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

The results of the Trust will be affected by a number of factors, including the performance of investment markets in which the component 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.

Further information relating to the likely developments in the operations, and the expected results of those operations in future financial years of the Trust have not been included in this report as the Responsible Entity believes it may result in unreasonable prejudice to the Trust.

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Director's report (continued)

For the year ended 30 June 2010

Environmental regulation

The Trust's operations are not regulated by any significant environmental regulation under a Commonwealth, State or Territory law.

Indemnifying officers or auditors

No insurance premiums are paid for out of the assets of the Trust in regard to insurance cover provided to either the Responsible Entity or the auditors of the Trust. So long as the officers of the Responsible Entity act in accordance with the Trust Constitution and the Corporations Act 2001, the officers remain indemnified out of the assets of the Trust against any losses incurred while acting on behalf of the Trust. The auditors of the Trust are in no way indemnified out of the assets of the Trust.

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

Fees paid to the Responsible Entity and its associates out of Trust property during the period are disclosed in Note 11 to the financial statements.

No fees were paid out of Trust property to the directors of the Responsible Entity during the period.

Interests in the Trust held by the Responsible Entity and its associates during the period are disclosed in Note 11 to the financial statements.

Review and results of operations

The financial report for the financial year ended 30 June 2010, and the results herein, are prepared in accordance with Australian Accounting Standards.

The net profit from continuing activities before financing costs attributable to ordinary unitholders, for the financial year ended 30 June 2010 was a profit of \$3,607,637 (2009: \$16,903,263).

Results

	2010	2009
	\$	\$
Total net investment income	6,195,956	20,400,237
Operating profit before finance costs attributable to unitholders	3,607,637	16,903,263

Distributions

	2010	2009
	\$	\$
Distribution paid and payable	34,800	769,250

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Director's report (continued)

For the year ended 30 June 2010

Interests in the Trust

The movement in units on issue in the Trust during the year is disclosed in note 6 to the financial statements.

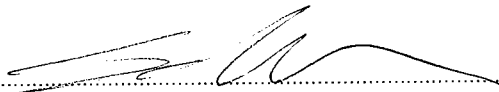
The value of the Trust's assets and liabilities is disclosed on the balance sheet and derived using the basis set out in note 2 to the financial statements.

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 4.

Signed in accordance with a resolution of the board of directors:

Director:



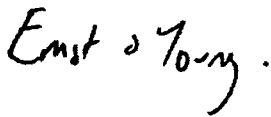
Scot Thompson

Sydney

Dated 16 September 2010

Auditor's Independence Declaration to the Directors of MQ Portfolio Management Limited, as Responsible Entity for MQ Gateway Trust

In relation to our audit of the financial report of MQ Gateway Trust for the financial year ended 30 June 2010, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.



Ernst & Young



Graeme McKenzie
Partner
16 September 2010

MQ Gateway Trust

Statement of comprehensive income

For the year ended 30 June 2010

	Note	Year ended 30 June 2010 \$	Year ended 30 June 2009 \$
Investment income			
Interest income		2,411,843	3,212,391
Income from Exposure Investment	11	34,800	464,700
Net gain/(loss) on financial instruments held at fair value through profit or loss	5	3,572,837	16,488,262
Other operating income		176,476	234,884
Total net investment income		6,195,956	20,400,237
Expenses			
Responsible Entity's fees	11	2,588,319	3,447,275
Other fees and expenses		-	49,699
Total operating expenses		2,588,319	3,496,974
Operating profit		3,607,637	16,903,263
Financing costs attributable to unitholders			
Distributions to unitholders	7	(34,800)	(769,250)
(Increase) in net assets attributable to unitholders	6	(3,572,837)	(16,134,013)
Profit/(Loss) for the year		-	-
Other comprehensive income		-	-
Total comprehensive income		-	-

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

MQ Gateway Trust

Statement of financial position

As at 30 June 2010

		30 June 2010	30 June 2009
	Note	\$	\$
Assets			
Cash and cash equivalents	8	7,063,226	657,235
Receivables	10	973,692	3,190,720
Financial assets held at fair value through profit or loss	9	189,610,079	612,327,856
Total assets		197,646,997	616,175,811
Liabilities			
Responsible entity fees payable		971,185	3,190,720
Redemptions payable		312,711	652,966
Total liabilities (excluding net assets attributable to unitholders)		1,283,896	3,843,686
Net assets attributable to unitholders - liability	6	196,363,101	612,332,125

The above statement of financial position should be read in conjunction with the accompanying notes.

MQ Gateway Trust

Statement of changes in equity

For the year ended 30 June 2010

	Year ended 30 June 2010	Year ended 30 June 2009
Note	\$	\$
Total equity at the beginning of the financial year	-	-
Total comprehensive income for the year	-	-
Other comprehensive income	-	-
Transactions with equity holders in their capacity as owners	-	-
Total equity at the end of the financial year	-	-

Under Australian Accounting Standards, net assets attributable to unitholders are classified as a financial liability rather than equity. As a result there was no equity at the start or end of the year.

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

MQ Gateway Trust

Statement of cash flows

For the year ended 30 June 2010

		Year ended 30 June 2010	Year ended 30 June 2009
	Note	\$	\$
Cash flows from operating activities			
Proceeds from sale of financial instruments held at fair value through profit or loss		419,541,860	222,710,794
Interest received		4,571,820	3,007,577
Purchase of Exposure Investments		-	(118,229,000)
Responsible Entity's fees paid		(4,809,614)	(3,227,476)
Periodic return from Equity Markets Investment		34,800	464,700
Payment of other expenses		-	(111,807)
GST income received		233,526	219,899
Net cash inflow from operating activities	12	419,572,392	104,834,687
Cash flows from financing activities			
Proceeds from applications by unitholders		-	107,125,090
Payments for redemptions by unitholders		(413,131,601)	(222,057,828)
Distributions paid		(34,800)	(769,250)
Net cash outflow from financing activities		(413,166,401)	(115,701,988)
Net increase/(decrease) in cash and cash equivalents		6,405,991	(10,867,301)
Cash and cash equivalents at beginning of period		657,235	11,524,536
Cash and cash equivalents at end of period	8	7,063,226	657,235

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

MQ Gateway Trust

Notes to the financial statements

For the year ended 30 June 2010

1 General Information

This financial report covers MQ Gateway Trust ("the Trust") as an individual entity. The Trust was constituted on 15 February 2007 as an Australian unit trust and registered managed investment scheme.

The Responsible Entity of the Trust is MQ Portfolio Management Limited, a wholly owned subsidiary of Macquarie Bank Limited ("MBL") who in turn is a wholly owned subsidiary of Macquarie Group Limited. The Responsible Entity's registered office is Mezzanine Level, 1 Martin Place, Sydney, NSW 2000. The financial report is presented in the Australian currency.

The principal activity of the Trust is to gain exposure to the performance of a Reference Basket of assets by entering into an Exposure Investment with Macquarie Bank Limited. The Trust is comprised of several portfolios of assets and liabilities, each referable to a particular Class of Units. Each of these portfolios is called a "Class Portfolio". From the Unit Issue Date to the Maturity Date, the Investment objective of each Class Portfolio is to seek capital protected exposure to the performance of underlying notional assets in a relevant Reference Basket.

The financial statements were authorised for issue by the directors on 16 September 2010. The directors of the Responsible Entity have the power to amend and reissue the financial report.

2 Summary of significant accounting policies

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

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001* in Australia.

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

Compliance with International Financial Reporting Standards (IFRS)

The report of the Trust also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(b) Financial instruments

(i) Classification

The Trust's investments are categorised as at fair value through profit or loss. They comprise:

- Financial instruments designated at fair value through profit or loss upon initial recognition

These include financial assets that are not held for trading purposes and which may be sold, such as investments in exchange traded equity instruments and unlisted trusts.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Trust's documented

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

2 Summary of significant accounting policies (continued)

investment strategy. The Trust's 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.

The Trust's only financial instruments are the Exposure Investments ("EI"). The Exposure Investments are transacted with Macquarie Bank Limited and provides the Trust with exposure to the performance of a Reference Basket of notional assets, particular to each Class Portfolio, during the "Term" (the period from the Investment date to the Capital Protection Date) and with Capital Protection on the Capital Protection Date. The Reference Basket is a basket of notional assets used as a reference point for determining the value of the Exposure Investment. The Exposure Investment does not contain physical assets and liabilities and is designated at fair value through profit or loss upon initial recognition.

(ii) Recognition/derecognition

The Trust recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises 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 have expired or the Trust has transferred substantially all risks and rewards of ownership.

(iii) Measurement

Financial assets and liabilities held at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments held at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the statement of comprehensive income.

• Fair value in an active market

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the statement of financial position date without any deduction for estimated future selling costs. Financial assets are priced at current bid prices while financial liabilities are priced at current asking prices.

• Fair value in an inactive or unquoted market

The fair value of derivatives that are not exchange-traded is estimated at the amount that the Trust would receive or pay to terminate the contract at the statement of financial position date taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties.

(c) Net assets attributable to unitholders

Units are redeemable at the unitholders' option and are therefore classified as financial liabilities. The units can be put back to the Trust at any time for cash based on the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the statement of financial position date if unitholders exercised their right to put the units back to the Trust.

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Notes to the financial statements (continued)

For the year ended 30 June 2010

2 Summary of significant accounting policies (continued)

(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, if any, are shown separately in the statement of financial position.

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 Trust's main income generating activity.

(e) Investment income

Interest income is recognised in the statement of comprehensive income for all financial instruments that are not held at fair value through profit or loss using the effective interest method.

(f) Expenses

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

(g) Income tax

Under current legislation, the Trust is not subject to income tax provided the taxable income of the Trust is fully distributed either by way of cash or reinvestment (i.e. unitholders are presently entitled to the income of the Trust).

Financial instruments held at fair value may include unrealised capital gains. Should such a gain be realised, that portion of the gain that is subject to capital gains tax will be distributed so that the Trust is not subject to capital gains tax.

Realised capital losses are not distributed to unitholders but are retained in the Trust to be offset against any realised capital gains. If realised capital gains exceed realised capital losses, the excess is distributed to unitholders.

(h) Distributions

In accordance with the Trust Constitution, the Trust fully distributes its distributable (taxable) income, and any other amounts determined by the Responsible Entity, to unitholders by cash or reinvestment. The distributions are recognised in the statement of comprehensive income as finance costs attributable to unitholders.

(i) Increase/decrease in net assets attributable to unitholders

Income not distributed is included in net assets attributable to unitholders. Movements in net assets attributable to unitholders are recognised in the statement of comprehensive income as finance costs.

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

2 Summary of significant accounting policies (continued)

(j) Foreign currency translation

Functional and presentation currency

Items included in the Trust's financial report 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 Trust competes for funds and is regulated. The Australian dollar is also the Trust's presentation currency.

(k) Receivables

Receivables may include amounts for coupons from the Exposure Investment (EI) and interest. Trust distributions are accrued when the right to receive payment is established. Interest is accrued at the reporting date from the time of last payment in accordance with the policy set out in note 1(e) above. Amounts are generally received within 30 days of being recorded as receivables.

(l) Payables

Payables include liabilities and accrued expenses owing by the Trust which are unpaid as at reporting date.

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

(m) Applications and redemptions

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

(n) Goods and Services Tax (GST)

The amount of GST incurred by the Trust that is not recoverable from the Australian Taxation Office ("ATO") is recognised as an expense or as part of the cost of acquisition of an asset. The Trust qualifies for Reduced Input Tax Credits at the rate of 75% on various services such as Manager's fees and Trustee's fees. These expenses have been recognised in the statement of comprehensive income net of the amount of GST recoverable from the ATO. The net amount of GST recoverable/payable from/to the ATO is included in the statement of financial position. Cash flows relating to GST are included in the statement of cash flows on a gross basis.

(o) Use of estimates

The Trust makes 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 Trust's financial instruments, quoted market prices are readily available. However certain financial instruments such as 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 are calibrated by back-testing to actual transactions to ensure that outputs are reliable.

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.

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Notes to the financial statements (continued)

For the year ended 30 June 2010

2 Summary of significant accounting policies (continued)

(p) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2010 reporting periods. The directors' assessment of the impact of these new standards (to the extent relevant to the Trust) and interpretations is set out below:

(i) AASB 9 *Financial Instruments* and related amendment AASB 2009-11 replacing AASB 139 *Financial Instruments: Recognition and Measurement*

The Australian Accounting Standards Board has now issued AASB 9 *Financial Instruments* which altered the classification and measurement of financial instruments. Under the new standard only two possible classifications arise, rather than the four existing classifications currently available under AASB 139 *Financial Instruments: Recognition and Measurement*, and will result in all financial assets being measured at amortised cost or fair value through profit and loss or through other comprehensive income. Financial liabilities are currently excluded from the scope of this standard. The standard is mandatorily applicable for annual reporting periods beginning on or after 1 January 2013. The Trust has not adopted this standard early and is still assessing the full impact of this standard.

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

3 Financial risk management

The Responsible Entity adopted the following investment objectives, policies and processes for managing the Trust's financial risk and capital:

Investment objectives

The Trust's investment objective is capital appreciation. The Trust seeks to achieve its investment objective through gaining exposure to the Reference Basket by entering into an Exposure Investment (EI) with Macquarie Bank Limited on a capital protected basis. The Reference Basket varies by class and is exposed to market risk (interest rate risk and price risk), credit risk and liquidity risk.

Capital protection is dependant on investors redeeming their investment on a specified date (capital protection date). If investors decide to redeem their investments before or after this date, they do not receive the benefit of capital protection. The redemption price will be the value of the investment as calculated on the last business day of the month in which the withdrawal request is processed.

Macquarie Bank Limited as issuer of the EI is responsible for making, monitoring and managing all investments and exposures, to which it collectively provides exposure under the EI. The risk management process undertaken by Macquarie Bank Limited is performed in compliance with policies approved by the Board of Directors of the Responsible Entity. The Trust receives reports from Macquarie Bank Limited, which enables it to monitor the key risks applicable to the Reference Basket.

The methods utilised to measure the different types of risk exposures include sensitivity analysis for market risks and ratings analysis for credit risk.

The Trust trades in regulated financial markets. The laws and regulations that govern these markets may change in away that adversely affect the ability of the Trust to meet its investment objective.

(a) Market risk

Market risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk; foreign exchange risk, interest rate risk and other price risk.

(i) Other price risk

Other price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, other than those changes caused by interest rate or foreign exchange risk, whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

The Trust is exposed to other price risk on investments in the EI. MQ Portfolio Management Limited manages the other price risk on the underlying investments which provide the return under the EI. The Trust's management policies and sensitivity analysis in relation to other price risk are discussed in part (b) of this note.

(ii) Foreign exchange risk

The Trust is not exposed to foreign exchange risk as all assets are denominated in Australian dollars.

(iii) Interest rate risk

The Trust's interest bearing financial assets 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.

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

3 Financial risk management (continued)

(b) Summarised sensitivity analysis

At 30 June 2010, the Trust's market risk is affected by changes in market prices. The following table summarises the sensitivity of the Trust's operating profit and net assets attributable to unitholders to market risk. It shows the effect a reasonably possible movement in the value of the Exposure Investment would have on the Trust's operating profit/net assets attributable to unitholders. The Exposure Investment is described in detail in note 2(e). 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 foreign exchange rates, historical correlation of the Trust's investments with the relevant benchmark and market volatility. 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 Reference Basket invests. As a result, historic variations in risk variables are not a definitive indicator of future variations in the risk variables.

Price risk

Impact on operating Profit/Net Assets attributable to unitholders:

Class	2010	2010	2009	2009	Class	2010	2010	2009	2009
	-10%	+10%	-10%	+10%		-10%	+10%	-10%	+10%
	EI	EI	EI	EI		EI	EI	EI	EI
	\$	\$	\$	\$		\$	\$	\$	\$
A	(269,857)	306,822	(268,992)	325,009	AP	(47,315)	77,150	(53,450)	81,049
B	(436,369)	497,010	(376,589)	455,013	AQ	(48,398)	78,986	(77,948)	118,197
C	-	-	(503,508)	503,520	AR	(234)	487	(8,816)	14,534
I	-	-	(70)	668	AS	(298)	607	(12,824)	21,141
J	-	-	(36,703)	73,530	AT	(4,631)	7,225	(84,901)	111,487
L	(818,408)	1,324,612	(250,937)	311,155	AU	(808)	1,232	(114,617)	150,508
M	(593,514)	958,516	(338,765)	420,060	AV	(13,088)	19,247	(148,249)	201,218
N	-	-	(1,422)	3,154	AW	(643)	939	(192,724)	261,583
O	-	-	(2,275)	5,046	AX	(9,107)	19,453	(89,403)	134,394
P	-	-	(8,084)	17,862	AY	(349)	741	(125,164)	188,151
Q	-	-	(12,874)	28,446	AZ	(1,041)	2,198	(71,696)	92,533
R	-	-	(3,747)	8,536	BA	(548)	1,202	(99,577)	128,517
S	-	-	(5,702)	12,990	BB	(1,847)	3,029	(71,460)	96,002
T	-	-	(4,743)	9,334	BC	(503)	837	(103,942)	139,639
U	-	-	(7,588)	14,934	BD	(140,350)	188,456	(99,631)	127,609
V	-	-	-	339	BE	(22,011)	30,156	(136,337)	174,623
W	-	-	-	528	BF	(194,161)	270,742	(170,741)	231,909
X	-	-	(36,703)	73,530	BG	(55,301)	77,481	(230,500)	313,078
AA	(246,442)	403,626	(44,519)	69,035	BH	(140,758)	213,926	(106,271)	154,786
AB	(282,443)	463,209	(58,431)	90,609	BI	(35,246)	53,768	(148,779)	216,700
AJ	(1,369)	16,729	(36,702)	53,734	BJ	(909)	1,076	(74,625)	106,711
AK	(1,470)	18,122	(51,383)	75,228	BK	(108)	152	(100,743)	144,060
AL	(4,568)	17,463	(38,406)	63,406	BL	(43,429)	65,088	(80,408)	104,915
AM	(3,846)	14,115	(55,305)	91,305	BM	(14,108)	21,045	(108,551)	141,636
AN	(1,356)	17,277	(24,739)	36,837					
AO	(1,216)	17,916	(35,872)	53,414	Total	(3,436,049)	5,190,640	(4,715,416)	6,252,202

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

3 Financial risk management (continued)

(b) Summarised sensitivity analysis (continued)

Interest rate risk

Impact on operating Profit/Net Assets attributable to unitholders

Class	2010	2010	2009	2009	Class	2010	2010	2009	2009
	-100 bps	+100 bps	-100 bps	+100 bps		-100 bps	+100 bps	-100 bps	+100 bps
	EI	EI	EI	EI		EI	EI	EI	EI
	\$	\$	\$	\$		\$	\$	\$	\$
A	135,248	(132,469)	218,609	(210,099)	AL	31,366	(30,619)	92,256	(89,321)
B	132,800	(129,587)	209,233	(200,241)	AM	15,644	(15,644)	41,065	(39,886)
C	-	-	42,943	(42,198)	AN	27,505	(27,178)	64,984	(64,112)
D	-	-	87,214	(86,138)	AO	17,621	(17,157)	42,045	(41,957)
E	-	-	-	-	AP	22,767	(22,503)	60,166	(57,932)
F	-	-	10,742	(10,609)	AQ	14,678	(14,306)	34,253	(32,884)
G	-	-	16,795	(16,588)	AR	14,726	(14,380)	50,100	(48,834)
H	-	-	115,174	(113,198)	AS	11,376	(11,226)	27,019	(26,237)
I	-	-	88,902	(87,525)	AT	14,158	(13,798)	29,128	(28,137)
J	-	-	37,754	(37,009)	AU	1,590	(1,575)	2,672	(2,561)
K	-	-	33,534	(32,959)	AV	16,693	(16,123)	27,651	(26,768)
L	288,127	(282,920)	459,610	(440,528)	AW	553	(537)	928	(894)
M	134,085	(135,016)	231,038	(221,205)	AX	11,470	(11,067)	27,980	(25,707)
N	-	-	220,621	(215,532)	AY	269	(263)	977	(871)
O	-	-	128,187	(125,771)	AZ	5,121	(5,035)	14,616	(14,110)
P	-	-	391,658	(384,820)	BA	1,791	(1,724)	3,067	(2,965)
Q	-	-	195,901	(192,731)	BB	15,736	(15,476)	37,123	(35,986)
R	-	-	239,833	(235,493)	BC	2,677	(2,628)	5,694	(5,509)
S	-	-	110,862	(108,711)	BD	354,154	(349,401)	591,371	(568,583)
T	-	-	893,077	(952,893)	BE	36,376	(35,550)	71,223	(68,245)
U	-	-	269,999	(307,692)	BF	233,478	(227,168)	387,583	(372,747)
V	-	-	349,117	(342,324)	BG	43,388	(41,719)	75,087	(71,678)
W	-	-	106,217	(104,394)	BH	162,611	(159,200)	263,702	(253,253)
X	-	-	18,924	(18,663)	BI	25,073	(24,462)	39,776	(38,194)
AA	175,344	(170,391)	261,630	(251,072)	BJ	164,095	(159,887)	247,197	(237,847)
AB	138,521	(135,058)	224,405	(215,714)	BK	14,277	(13,971)	22,672	(21,805)
AJ	20,253	(19,539)	75,087	(72,976)	BL	292,062	(286,409)	513,347	(497,171)
AK	14,187	(13,450)	30,124	(29,228)	BM	62,848	(61,944)	116,142	(112,080)
					Total	2,652,668	(2,599,380)	7,957,014	(7,842,585)

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

3 Financial risk management (continued)

(c) 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 Trust is primarily exposed to credit risk on the balance of the Exposure Investment with Macquarie Bank Limited. Macquarie Bank Limited is exposed to credit risk on the financial assets that form part of the Reference Basket.

The carrying amount of the financial assets held with Macquarie Bank Limited best represents the Trust's credit risk exposure at balance date. At 30 June 2010 the following assets were held with Macquarie Bank Limited:

	2010	2009
	\$	\$
Exposure Investments with Macquarie Bank Limited	189,610,079	612,327,856
Macquarie Bank Limited (Income receivable from Exposure Investment)	798,499	2,958,476
Macquarie Bank Limited (Cash and cash equivalents)	7,063,226	657,235
	<u>197,471,804</u>	<u>615,943,567</u>

Macquarie Bank Limited's credit ratings issued by Moody's at the year end were:

	2010	2009
Macquarie Bank Limited	A2	A2

The Trust's policies to control credit risk include avoidance of unacceptable concentrations of risk either to any economic sector or to an individual counterparty. Policies are in place to regulate large exposures to single counterparties. Such exposures are generally restricted unless the credit is of the highest standard or there is a high level of security.

In accordance with the Trust's policy, the Investment Manager monitors the Trust's credit position on a regular basis.

(d) Liquidity Risk

Liquidity risk is the risk that the Trust will encounter difficulty in meeting obligations associated with financial liabilities.

The Trust is exposed to liquidity risk on all of its investments. Investment of the Trust's assets in relatively illiquid investments may restrict the ability of the Trust to dispose of its investments at a price and time that it wishes to do so. Consequently, the Trust may not be able to satisfy redemption requests (in whole or in part) until it is able to redeem its investment in the Exposure Investments. Redeeming unitholders will bear the risk of any decline in the value of those component funds until the redemption is able to be fully effected.

In accordance with the Trust's policy, the risk management area of the Investment Manager monitors the Trust's liquidity position on a continual basis to enable them to close out of positions at any point in time. Further, prior to any derivative position being entered into, the relationship between the likely liquidity and the size of the position is considered.

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

3 Financial risk management (continued)

(d) Liquidity risk (continued)

The table below analyses the Trust's financial liabilities that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts, as the impact of discounting is not significant.

	Less than 1 month	1-6 months	6-12 months	1-2 years	Total
	\$	\$	\$	\$	\$
30 June 2010					
Fees payable to the manager and Responsible Entity	-	971,185	-	-	971,185
Distribution payable	-	-	-	-	-
Redemptions payable	-	312,711	-	-	312,711
Net assets attributable to unitholders	-	196,363,101	-	-	196,363,101
Undiscounted contractual cash flows	-	197,646,997	-	-	197,646,997
30 June 2009					
Fees payable to the manager and Responsible Entity	-	3,190,720	-	-	3,190,720
Distribution payable	-	-	-	-	-
Redemptions payable	-	652,966	-	-	652,966
Net assets attributable to unitholders	-	612,332,125	-	-	612,332,125
Undiscounted contractual cash flows	-	616,175,811	-	-	616,175,811

(e) Fair value estimation

The Trust's financial assets are the Exposure Investments with Macquarie Bank Limited, cash and receivables. The carrying amounts of the Trust's assets and liabilities at the balance sheet date approximate their values.

For certain other financial instruments including accounts payable and accrued expenses, the carrying amounts approximate fair value due to the immediate short-term nature of these financial instruments.

The methods and assumptions applied in determining fair values of financial assets are considered below and also described in Note 1(b).

The Exposure Investment will provide the Trust with notional exposure to a Reference Basket. The Reference Basket for a particular class portfolio is a list of securities and/or indices used as a reference for determining the value of the exposure investment. It does not contain physical assets and liabilities. A notional exposure is a hypothetical exposure that is designed to replicate an actual exposure. MBL is not required to engage in actual transactions in order to achieve these exposures.

The Exposure Investment also provides capital protection. The delivery amount is the higher of:

- the Exposure Investment value
- the capital protected amount

In this way, exposure to the returns of the Reference Basket and capital protection are efficiently delivered under the same agreement. Capital protection only applies on the capital protection date. If investors decide to redeem their investments before or after this date, they do not receive the benefit of capital protection. The redemption price will be the value of the investment as calculated on the last business day of the month in which the withdrawal request is processed.

The value of the Reference Basket will reflect the value of the EI and will be calculated by the valuation agent, i.e. Macquarie Bank Limited. In valuing the Reference Basket the valuation agent will take into consideration all actual practical considerations that would apply if the Trust invested directly in the Reference Basket.

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

3 Financial risk management (continued)

(e) Fair value estimation (continued)

The Trust has adopted the amendments to AASB 7, effective 1 July 2009. This requires the Trust to classify fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The table below sets out the Trust's financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy at 30 June 2010. Comparative information has not been provided as permitted by the transitional provisions of the new rules.

As at 30 June 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets				
Financial assets held at fair value through profit or loss:				
- Exposure Investments held with Macquarie Bank Limited	-	-	189,610,079	189,610,079
Total	-	-	189,610,079	189,610,079

For the year ended 30 June 2010, the Fund invested only in Level 3 investments.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently.

The following table shows a reconciliation of the movement in fair value of the level 3 investments held as at 30 June 2010:

	EI held with Macquarie Bank Limited
	\$
Opening balance at 1 July 2009	612,327,856
Total gain and losses	
- in profit or loss	(3,175,917)
Sales	(419,541,860)
Closing balance at 30 June 2010	<u>189,610,079</u>

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

4 Auditor's remuneration

During the year the following fees were paid or payable for services provided by the auditor of the Trust:

	2010	2009
	\$	\$
Audit Services		
Audit and review of the financial reports	10,200	42,484
Other audit work under the <i>Corporations Act 2001</i>	290	3,186
Total remuneration for audit services	<u>10,490</u>	<u>45,670</u>

The above costs are paid by the Responsible Entity on behalf of the Trust.

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

	2010	2009
	\$	\$
Net gain on financial instrument designated at fair value through profit or loss	3,572,837	16,488,262
	<u>3,572,837</u>	<u>16,488,262</u>

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

6 Net assets attributable to unitholders

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

As stipulated within the Trust Constitution, each unit represents a right to an individual unit in the Trust and does not extend to a right to the underlying assets of the Trust. Each class invests in EIs invested by Macquarie Bank Limited which provides each class of units with exposure to the returns derived from a different reference basket of assets.

	2010 Class A Units	2010 Class B Units	2010 Class C Units	2010 Class D Units	2010 Class E Units	2010 Class F Units	2010 Class G Units
Opening balance	10,182,000	12,293,000	3,619,000	11,279,000	4,655,000	1,387,000	2,173,000
Applications	-	-	-	-	-	-	-
Redemptions	(1,080,000)	(1,078,000)	(3,619,000)	(10,769,000)	(4,570,000)	(1,342,000)	(2,088,000)
Closing Balance	9,102,000	11,215,000	-	510,000	85,000	45,000	85,000

	2010 Class H Units	2010 Class I Units	2010 Class J Units	2010 Class K Units	2010 Class L Units	2010 Class M Units	2010 Class N Units
Opening balance	14,175,000	10,975,000	4,725,000	4,125,000	18,868,000	11,438,000	23,379,000
Applications	-	-	-	-	-	-	-
Redemptions	(14,175,000)	(10,975,000)	(4,725,000)	(4,125,000)	(2,311,000)	(2,090,000)	(23,017,000)
Closing Balance	-	-	-	-	16,557,000	9,348,000	362,000

	2010 Class O Units	2010 Class P Units	2010 Class Q Units	2010 Class R Units	2010 Class S Units	2010 Class T Units	2010 Class U Units
Opening balance	16,346,000	42,527,500	26,010,000	24,694,000	13,436,000	102,288,500	39,094,000
Applications	-	-	-	-	-	-	-
Redemptions	(15,644,000)	(42,035,500)	(25,192,223)	(24,379,000)	(12,825,776)	(101,746,500)	(37,689,556)
Closing Balance	702,000	492,000	817,777	315,000	610,224	542,000	1,404,444

	2010 Class V Units	2010 Class W Units	2010 Class X Units	2010 Class AA Units	2010 Class AB Units	2010 Class AJ Units	2010 Class AK Units
Opening balance	37,922,000	14,160,000	2,140,000	10,600,000	10,800,000	4,678,000	2,325,000
Applications	-	-	-	-	-	-	-
Redemptions	(37,529,000)	(13,420,000)	(980,000)	(500,000)	(1,250,000)	(2,325,000)	(305,000)
Closing Balance	393,000	740,000	1,160,000	10,100,000	9,550,000	2,353,000	2,020,000

	2010 Class AL Units	2010 Class AM Units	2010 Class AN Units	2010 Class AO Units	2010 Class AP Units	2010 Class AQ Units	2010 Class AR Units
Opening balance	5,604,000	3,085,000	3,910,000	3,105,000	3,367,000	2,260,000	2,971,000
Applications	-	-	-	-	-	-	-
Redemptions	(1,885,000)	(720,000)	(670,000)	(550,000)	(835,000)	(265,000)	(1,295,000)
Closing Balance	3,719,000	2,365,000	3,240,000	2,555,000	2,532,000	1,995,000	1,676,000

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

6 Net assets attributable to unitholders (continued)

	2010 Class AS Units	2010 Class AT Units	2010 Class AU Units	2010 Class AV Units	2010 Class AW Units	2010 Class AX Units	2010 Class AY Units
Opening balance	1,940,000	1,550,000	175,000	1,465,000	60,000	1,415,000	60,000
Applications	-	-	-	-	-	-	-
Redemptions	(290,000)	(300,000)	-	-	-	(400,000)	(30,000)
Closing Balance	1,650,000	1,250,000	175,000	1,465,000	60,000	1,015,000	30,000

	2010 Class AZ Units	2010 Class BA Units	2010 Class BB Units	2010 Class BC Units	2010 Class BD Units	2010 Class BE Units	2010 Class BF Units
Opening balance	745,000	190,000	1,860,000	345,000	27,057,000	3,990,000	17,282,000
Applications	-	-	-	-	-	-	-
Redemptions	(300,000)	-	(500,000)	(60,000)	(2,540,000)	(890,000)	(1,765,000)
Closing Balance	445,000	190,000	1,360,000	285,000	24,517,000	3,100,000	15,517,000

	2010 Class BG Units	2010 Class BH Units	2010 Class BI Units	2010 Class BJ Units	2010 Class BK Units	2010 Class BL Units	2010 Class BM Units
Opening balance	4,044,000	11,759,000	2,167,000	11,747,000	1,340,000	22,084,000	5,884,000
Applications	-	-	-	-	-	-	-
Redemptions	(545,000)	(865,000)	(110,000)	(615,000)	(150,000)	(2,480,000)	(740,000)
Closing Balance	3,499,000	10,894,000	2,057,000	11,132,000	1,190,000	19,604,000	5,144,000

	2010 Class Y Units	2010 Class Z Units	2010 Total Units
Opening balance	3,789,000	3,455,250	628,999,250
Applications	-	-	-
Redemptions	(3,789,000)	(3,455,250)	(427,829,804)
Closing Balance	-	-	201,169,446

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

6 Net assets attributable to unitholders (continued)

	2009 Class A Units	2009 Class B Units	2009 Class C Units	2009 Class D Units	2009 Class E Units	2009 Class F Units	2009 Class G Units
Opening balance	10,572,000	13,104,000	3,619,000	14,795,000	6,318,000	1,954,000	2,785,000
Applications	-	-	-	-	-	-	-
Redemptions	(390,000)	(811,000)	-	(3,516,000)	(1,663,000)	(567,000)	(612,000)
Closing Balance	10,182,000	12,293,000	3,619,000	11,279,000	4,655,000	1,387,000	2,173,000

	2009 Class H Units	2009 Class I Units	2009 Class J Units	2009 Class K Units	2009 Class L Units	2009 Class M Units	2009 Class N Units
Opening balance	17,450,000	13,750,000	9,175,000	9,875,000	21,883,000	12,073,000	27,063,000
Applications	-	-	-	-	-	-	-
Redemptions	(3,275,000)	(2,775,000)	(4,450,000)	(5,750,000)	(3,015,000)	(635,000)	(3,684,000)
Closing Balance	14,175,000	10,975,000	4,725,000	4,125,000	18,868,000	11,438,000	23,379,000

	2009 Class O Units	2009 Class P Units	2009 Class Q Units	2009 Class R Units	2009 Class S Units	2009 Class T Units	2009 Class U Units
Opening balance	20,046,000	54,564,000	34,185,000	28,735,500	18,761,000	117,762,500	46,694,000
Applications	-	-	-	-	-	-	-
Redemptions	(3,700,000)	(12,036,500)	(8,175,000)	(4,041,500)	(5,325,000)	(15,474,000)	(7,600,000)
Closing Balance	16,346,000	42,527,500	26,010,000	24,694,000	13,436,000	102,288,500	39,094,000

	2009 Class V Units	2009 Class W Units	2009 Class X Units	2009 Class AA Units	2009 Class AB Units	2009 Class AE Units	2009 Class AF Units
Opening balance	47,666,000	17,230,000	15,505,000	10,900,000	11,500,000	20,700,000	30,250,000
Applications	-	-	-	-	-	-	-
Redemptions	(9,744,000)	(3,070,000)	(13,365,000)	(300,000)	(700,000)	(20,700,000)	(30,250,000)
Closing Balance	37,922,000	14,160,000	2,140,000	10,600,000	10,800,000	-	-

	2009 Class AG Units	2009 Class AH Units	2009 Class AI Units	2009 Class AJ Units	2009 Class AK Units	2009 Class AL Units	2009 Class AM Units
Opening balance	34,800,000	6,250,000	10,250,000	5,273,000	2,460,000	6,119,000	4,075,000
Applications	-	-	-	-	-	-	-
Redemptions	(34,800,000)	(6,250,000)	(10,250,000)	(595,000)	(135,000)	(515,000)	(990,000)
Closing Balance	-	-	-	4,678,000	2,325,000	5,604,000	3,085,000

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

6 Net assets attributable to unitholders (continued)

	2009 Class AN Units	2009 Class AO Units	2009 Class AP Units	2009 Class AQ Units	2009 Class AR Units	2009 Class AS Units	2009 Class AT Units
Opening balance	4,475,000	3,395,000	3,687,000	2,745,000	3,276,000	2,175,000	1,550,000
Applications	-	-	-	-	-	-	-
Redemptions	(565,000)	(290,000)	(320,000)	(485,000)	(305,000)	(235,000)	-
Closing Balance	3,910,000	3,105,000	3,367,000	2,260,000	2,971,000	1,940,000	1,550,000

	2009 Class AU Units	2009 Class AV Units	2009 Class AW Units	2009 Class AX Units	2009 Class AY Units	2009 Class AZ Units	2009 Class BA Units
Opening balance	175,000	1,465,000	60,000	1,415,000	60,000	745,000	190,000
Applications	-	-	-	-	-	-	-
Redemptions	-	-	-	-	-	-	-
Closing Balance	175,000	1,465,000	60,000	1,415,000	60,000	745,000	190,000

	2009 Class BB Units	2009 Class BC Units	2009 Class BD Units	2009 Class BE Units	2009 Class BF Units	2009 Class BG Units	2009 Class BH Units
Opening balance	1,860,000	365,000	-	-	-	-	-
Applications	-	-	28,480,000	4,040,000	17,970,000	4,044,000	11,769,000
Redemptions	-	(20,000)	(1,423,000)	(50,000)	(688,000)	-	(10,000)
Closing Balance	1,860,000	345,000	27,057,000	3,990,000	17,282,000	4,044,000	11,759,000

	2009 Class BI Units	2009 Class BJ Units	2009 Class BK Units	2009 Class BL Units	2009 Class BM Units	2009 Class Y Units	2009 Class Z Units
Opening balance	-	-	-	-	-	-	-
Applications	2,167,000	11,747,000	1,340,000	23,288,000	5,884,000	3,789,000	3,455,250
Redemptions	-	-	-	(1,204,000)	-	-	-
Closing Balance	2,167,000	11,747,000	1,340,000	22,084,000	5,884,000	3,789,000	3,455,250

	2009 Total Units
Opening balance	735,780,000
Applications	117,973,250
Redemptions	(224,754,000)
Closing Balance	628,999,250

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

6 Net assets attributable to unitholders (continued)

	2010 Class A \$	2010 Class B \$	2010 Class C \$	2010 Class D \$	2010 Class E \$	2010 Class F \$	2010 Class G \$
Opening balance	10,110,302	11,469,424	4,410,756	11,183,063	4,621,862	1,377,428	2,153,572
Applications	-	-	-	-	-	-	-
Redemptions	(1,096,415)	(1,035,229)	(4,566,422)	(10,759,867)	(4,565,933)	(1,341,077)	(2,085,931)
Increase in net assets attributable to unitholders	249,719	275,478	155,666	90,716	29,720	8,992	18,007
Closing Balance	9,263,606	10,709,673	-	513,912	85,649	45,343	85,648

	2010 Class H \$	2010 Class I \$	2010 Class J \$	2010 Class K \$	2010 Class L \$	2010 Class M \$	2010 Class N \$
Opening balance	14,009,259	10,822,707	4,702,960	4,080,254	19,527,922	11,335,814	23,452,348
Applications	-	-	-	-	-	-	-
Redemptions	(14,173,600)	(10,973,444)	(4,725,000)	(4,125,000)	(2,407,973)	(2,084,082)	(23,326,746)
Increase in net assets attributable to unitholders	164,341	150,737	22,040	44,746	237,147	59,718	241,823
Closing Balance	-	-	-	-	17,357,096	9,311,450	367,425

	2010 Class O \$	2010 Class P \$	2010 Class Q \$	2010 Class R \$	2010 Class S \$	2010 Class T \$	2010 Class U \$
Opening balance	15,030,976	42,437,247	23,702,806	25,152,611	12,695,623	101,440,795	35,232,158
Applications	-	-	-	-	-	-	-
Redemptions	(14,448,607)	(42,167,635)	(22,864,128)	(25,140,973)	(12,180,561)	(101,648,486)	(33,923,357)
Increase in net assets attributable to unitholders	66,254	224,632	(96,774)	313,768	64,801	749,700	(44,797)
Closing Balance	648,623	494,244	741,904	325,406	579,863	542,009	1,264,004

	2010 Class V \$	2010 Class W \$	2010 Class X \$	2010 Class AA \$	2010 Class AB \$	2010 Class AJ \$	2010 Class AK \$
Opening balance	37,584,676	12,766,960	2,011,990	10,296,433	9,804,023	4,446,009	2,005,047
Applications	-	-	-	-	-	-	-
Redemptions	(37,470,496)	(12,077,183)	(875,362)	(484,791)	(1,124,335)	(2,212,061)	(264,410)
Increase in net assets attributable to unitholders	278,826	(23,775)	(93,697)	94,844	(22,082)	148,817	101,899
Closing Balance	393,006	666,002	1,042,931	9,906,486	8,657,606	2,382,765	1,842,536

	2010 Class AL \$	2010 Class AM \$	2010 Class AN \$	2010 Class AO \$	2010 Class AP \$	2010 Class AQ \$	2010 Class AR \$
Opening balance	5,468,709	2,762,825	3,841,774	2,809,210	3,412,863	2,144,849	2,909,545
Applications	-	-	-	-	-	-	-
Redemptions	(1,838,371)	(637,819)	(656,906)	(492,420)	(842,866)	(246,928)	(1,267,603)
Increase in net assets attributable to unitholders	103,692	(10,971)	89,545	1,766	77,369	(40,001)	90,562
Closing Balance	3,734,030	2,114,035	3,274,413	2,318,556	2,647,366	1,857,920	1,732,504

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

6 Net assets attributable to unitholders (continued)

	2010 Class AS \$	2010 Class AT \$	2010 Class AU \$	2010 Class AV \$	2010 Class AW \$	2010 Class AX \$	2010 Class AY \$
Opening balance	1,745,963	1,483,422	154,809	1,439,536	55,361	1,405,287	55,826
Applications	-	-	-	-	-	-	-
Redemptions	(258,682)	(284,370)	-	-	-	(398,160)	(27,483)
Increase in net assets attributable to unitholders	9,536	774	(1,918)	(12,751)	(1,663)	(990)	(913)
Closing Balance	1,496,817	1,199,826	152,891	1,426,785	53,698	1,006,137	27,430

	2010 Class AZ \$	2010 Class BA \$	2010 Class BB \$	2010 Class BC \$	2010 Class BD \$	2010 Class BE \$	2010 Class BF \$
Opening balance	738,389	176,343	1,757,313	295,581	26,469,860	3,649,237	17,797,827
Applications	-	-	-	-	-	-	-
Redemptions	(288,356)	-	(472,300)	(51,344)	(2,479,020)	(812,613)	(1,810,830)
Increase in net assets attributable to unitholders	(19,715)	(8,958)	15,512	1,383	(222,035)	(80,828)	(211,403)
Closing Balance	430,318	167,385	1,300,525	245,620	23,768,805	2,755,796	15,775,594

	2010 Class BG \$	2010 Class BH \$	2010 Class BI \$	2010 Class BJ \$	2010 Class BK \$	2010 Class BL \$	2010 Class BM \$
Opening balance	3,986,360	11,878,556	2,072,730	11,018,577	1,154,698	21,130,275	5,220,039
Applications	-	-	-	-	-	-	-
Redemptions	(540,345)	(899,625)	(109,560)	(578,233)	(129,258)	(2,373,062)	(652,353)
Increase in net assets attributable to unitholders	(108,459)	392,525	75,306	78,572	(5,673)	85,535	(47,142)
Closing Balance	3,337,556	11,371,456	2,038,476	10,518,916	1,019,767	18,842,748	4,520,544

	2010 Class Y \$	2010 Class Z \$	2010 Total \$
Opening balance	3,727,280	3,704,056	612,332,125
Applications	-	-	-
Redemptions	(3,789,000)	(3,455,250)	(419,541,861)
Increase in net assets attributable to unitholders	61,720	(248,806)	3,572,837
Closing Balance	-	-	196,363,101

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

6 Net assets attributable to unitholders (continued)

	2009 Class A \$	2009 Class B \$	2009 Class C \$	2009 Class D \$	2009 Class E \$	2009 Class F \$	2009 Class G \$
Opening balance	11,707,204	15,083,072	4,242,985	13,594,154	6,036,997	1,807,688	2,547,539
Applications	-	-	-	-	-	-	-
Redemptions	(382,237)	(831,550)	-	(3,454,019)	(1,644,584)	(547,354)	(594,406)
Increase in net assets attributable to unitholders	(1,214,665)	(2,782,098)	167,771	1,042,928	229,449	117,094	200,439
Closing Balance	10,110,302	11,469,424	4,410,756	11,183,063	4,621,862	1,377,428	2,153,572

	2009 Class H \$	2009 Class I \$	2009 Class J \$	2009 Class K \$	2009 Class L \$	2009 Class M \$	2009 Class N \$
Opening balance	16,108,507	14,779,820	9,211,085	9,032,972	20,705,038	11,151,997	25,309,639
Applications	-	-	-	-	-	-	-
Redemptions	(3,243,084)	(2,741,552)	(4,485,799)	(5,436,376)	(3,110,490)	(609,516)	(3,645,814)
Increase in net assets attributable to unitholders	1,143,836	(1,215,561)	(22,326)	483,658	1,933,374	793,333	1,788,523
Closing Balance	14,009,259	10,822,707	4,702,960	4,080,254	19,527,922	11,335,814	23,452,348

	2009 Class O \$	2009 Class P \$	2009 Class Q \$	2009 Class R \$	2009 Class S \$	2009 Class T \$	2009 Class U \$
Opening balance	17,635,439	50,875,657	29,932,396	29,102,313	18,779,747	108,675,695	40,154,000
Applications	-	-	-	-	-	-	-
Redemptions	(3,298,664)	(11,893,181)	(7,449,168)	(4,111,025)	(5,181,541)	(15,179,321)	(6,847,832)
Increase in net assets attributable to unitholders	694,201	3,454,771	1,219,578	161,323	(902,583)	7,944,421	1,925,990
Closing Balance	15,030,976	42,437,247	23,702,806	25,152,611	12,695,623	101,440,795	35,232,158

	2009 Class V \$	2009 Class W \$	2009 Class X \$	2009 Class AA \$	2009 Class AB \$	2009 Class AE \$	2009 Class AF \$
Opening balance	43,585,782	14,626,000	14,108,309	11,603,118	12,418,693	23,334,284	30,288,307
Applications	-	-	-	-	-	-	-
Redemptions	(9,456,015)	(2,762,118)	(12,611,636)	(288,594)	(691,067)	(23,100,306)	(30,250,000)
Increase in net assets attributable to unitholders	3,454,909	903,078	515,317	(1,018,091)	(1,923,603)	(233,978)	(38,307)
Closing Balance	37,584,676	12,766,960	2,011,990	10,296,433	9,804,023	-	-

	2009 Class AG \$	2009 Class AH \$	2009 Class AI \$	2009 Class AJ \$	2009 Class AK \$	2009 Class AL \$	2009 Class AM \$
Opening balance	34,772,281	6,245,325	10,241,861	4,780,822	2,119,435	5,545,919	3,498,613
Applications	-	-	-	-	-	-	-
Redemptions	(34,800,000)	(6,250,000)	(10,250,000)	(565,818)	(117,008)	(495,949)	(872,050)
Increase in net assets attributable to unitholders	27,719	4,675	8,139	231,005	2,620	418,739	136,262
Closing Balance	-	-	-	4,446,009	2,005,047	5,468,709	2,762,825

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

6 Net assets attributable to unitholders (continued)

	2009 Class AN \$	2009 Class AO \$	2009 Class AP \$	2009 Class AQ \$	2009 Class AR \$	2009 Class AS \$	2009 Class AT \$
Opening balance	4,161,296	3,029,409	4,189,982	3,272,722	2,961,853	1,859,402	1,486,777
Applications	-	-	-	-	-	-	-
Redemptions	(552,435)	(264,301)	(329,355)	(496,173)	(298,478)	(213,652)	-
Increase in net assets attributable to unitholders	232,913	44,102	(447,764)	(631,700)	246,170	100,213	(3,355)
Closing Balance	3,841,774	2,809,210	3,412,863	2,144,849	2,909,545	1,745,963	1,483,422

	2009 Class AU \$	2009 Class AV \$	2009 Class AW \$	2009 Class AX \$	2009 Class AY \$	2009 Class AZ \$	2009 Class BA \$
Opening balance	167,317	1,332,808	53,527	1,320,835	55,179	710,216	180,044
Applications	-	-	-	-	-	-	-
Redemptions	-	-	-	-	-	-	-
Increase in net assets attributable to unitholders	(12,508)	106,728	1,834	84,452	647	28,173	(3,701)
Closing Balance	154,809	1,439,536	55,361	1,405,287	55,826	738,389	176,343

	2009 Class BB \$	2009 Class BC \$	2009 Class BD \$	2009 Class BE \$	2009 Class BF \$	2009 Class BG \$	2009 Class BH \$
Opening balance	1,879,831	376,015	0	-	-	-	-
Applications	-	-	28,480,000	4,040,000	17,970,000	4,044,000	11,769,000
Redemptions	-	(16,028)	(1,402,862)	(46,820)	(703,069)	-	(10,520)
Increase in net assets attributable to unitholders	(122,518)	(64,406)	(607,278)	(343,943)	530,896	(57,640)	120,076
Closing Balance	1,757,313	295,581	26,469,860	3,649,237	17,797,827	3,986,360	11,878,556

	2009 Class BI \$	2009 Class BJ \$	2009 Class BK \$	2009 Class BL \$	2009 Class BM \$	2009 Class Y \$	2009 Class Z \$
Opening balance	-	-	-	-	-	-	-
Applications	2,167,000	11,747,000	1,340,000	23,288,000	5,884,000	3,750,000	3,750,000
Redemptions	-	-	-	(1,179,026)	-	-	-
Increase in net assets attributable to unitholders	(94,270)	(728,423)	(185,302)	(978,699)	(663,961)	(22,720)	(45,943)
Closing Balance	2,072,730	11,018,577	1,154,698	21,130,275	5,220,039	3,727,280	3,704,056

	2009 Total \$
Opening balance	700,679,906
Applications	118,229,000
Redemptions	(222,710,794)
Increase in net assets attributable to unitholders	16,134,013
Closing Balance	612,332,125

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

6 Net assets attributable to unitholders (continued)

The Trust's classes D-G and N-X matured during the year and are no longer exposed to the EI. As the investors have decided to remain in the classes their investment is now held as cash by the Trust.

Capital risk management

The Trust manages its net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified as a liability. The amount of net assets attributable to unitholders can change significantly on a monthly basis as the Trust is subject to monthly redemptions at the discretion of unitholders.

The Trust requires that any withdrawal requests are received at least 10 days before the end of a calendar month. The Trust will generally pay the redemption proceeds from withdrawal requests within 30 business days after the end of the relevant month. This allows the Trust to liquidate the required amount from the Exposure Investment. While the Trust will generally pay withdrawal proceeds as soon as practicable after it receives the corresponding proceeds from its investment in the Exposure Investment, the Trust is only required to pay withdrawal proceeds within 60 days after the date as at which the applicable withdrawal price is calculated.

The Trust may further extend the period for processing a withdrawal in certain circumstances such as if:

- the Trust has taken all reasonable steps to realise sufficient assets to satisfy a withdrawal request but is not able to do so; or
- the Trust believes it is not in the best interests of investors as a whole to realise assets; or
- the Trust is unable to calculate the redemption price or fairly determine the Net Asset Value due to one or more circumstances outside the Trust's control.

The Trust may also stagger the processing of withdrawal requests over a number of withdrawal periods where the withdrawal requests received for a month exceed 10% of the Units on issue.

If the Trust becomes illiquid (as defined in the Corporations Act 2001), withdrawals will only be allowed if the Trust makes an offer of withdrawal. If the Trust makes an offer of withdrawal, unitholders may only be able to withdraw part of their investment.

7 Distributions to unitholders

	30 June 2010	30 June 2009
	\$	\$
Balance payable at the beginning of the year (1 July)	-	-
Provided for during the year	34,800	769,250
Paid during the year	(34,800)	(769,250)
Balance payable at the end of year	-	-

8 Cash and cash equivalents

	30 June 2010	30 June 2009
	\$	\$
Cash at bank	7,063,226	657,235
Total	7,063,226	657,235

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended June 30 2010

9 Financial assets held at fair value through profit or loss

	2010	2009
	\$	\$
Designated at fair value through profit or loss		
Exposure Investments with Macquarie Bank Limited	189,610,079	612,327,856
Total financial assets held at fair value through profit or loss	189,610,079	612,327,856

A detailed description of the Exposure Investments can be found in note 3(e).

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

10 Receivables

	2010	2009
	\$	\$
Income receivable from Exposure Investments	798,498	2,958,476
Reduced input tax credit	175,194	232,244
	973,692	3,190,720

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

11 Related party transactions

Responsible entity

The Responsible Entity of MQ Gateway Trust is MQ Portfolio Management Limited (MQPML), a wholly owned subsidiary of Macquarie Bank Limited (MBL) which in turn is a wholly subsidiary of Macquarie Group Limited.

Key management personnel

The following persons held office as directors of MQPML during the year or since the end of the year and up to the date of this report:

Bruce Neil Terry
Scot Thompson
Gervaise Robert John Heddle

No units were held directly, indirectly or beneficially by parties related to the Trust (including directors of MQ Portfolio Management Limited).

No amount is paid by the Trust directly to the directors of the Responsible Entity. Consequently, no compensation as defined in AASB 124 *Related Party Disclosures* is paid by the Trust to the directors as key management personnel.

The responsible entity does not hold any units in the Trust.

Responsible Entity's fees and other transactions

For the year ended 30 June 2010, in accordance with the Trust Constitution, the Responsible Entity received a total fee of either 0.2% or 0.5% per annum, as stated in the PDS for the particular Class, of the Unitholder's application amount reduced to reflect any withdrawals in a Class of Units at each month end.

A withdrawal fee, if proceeds are withdrawn before the Capital Protection Date, as detailed in the PDS for each Class.

All expenses in connection with the preparation of accounting records and the maintenance of the unit register have been fully borne by the Responsible Entity.

Aggregate amounts included in the determination of profit from ordinary activities before related income tax that resulted from transactions with Macquarie Bank Limited are as follows:

	2010	2009
	\$	\$
Interest income	2,411,843	3,212,391
Net gain/(loss) on financial instrument held at fair value through profit or loss	3,572,837	16,488,262
Income from Exposure Investment	34,800	464,700

All related party transactions are conducted on normal commercial terms and conditions. The transactions during the year incurred by the Trust and paid/payable to the Responsible Entity are listed below:

	2010	2009
	\$	\$
Responsible Entity's fees	2,588,319	3,447,275

MQ Gateway Trust

Notes to the financial statements (continued)

For the year ended 30 June 2010

11 Related party transactions (continued)

Aggregate amounts receivable from, and payable to, each class of other related parties at balance date:

	2010	2009
	\$	\$
Current Assets		
Macquarie Bank Limited (Exposure Investment held at fair value through profit or loss)	189,610,079	612,327,856
Macquarie Bank Limited (Cash and cash equivalents)	7,063,226	657,235
Macquarie Bank Limited (Income receivable from Exposure Investment)	798,499	2,958,476
Current Liabilities		
Responsible Entity (Fees payable)	971,185	3,190,720

Investments

The Trust's only investments are the Exposure Investments held with Macquarie Bank Limited.

Other transactions within the Trust

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

The bank accounts for the Trust are held with Macquarie Bank Limited. Fees and expenses are negotiated on an arm's length basis for all transactions with related parties.

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

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

	2010	2009
	\$	\$
Profit/(loss) for the period before financing costs	3,607,637	16,903,263
Proceeds from sale of financial instrument held at fair value through profit or loss	419,541,860	222,710,794
Net (gain)/loss on financial instrument held at fair value through profit or loss	(3,572,837)	(16,488,262)
Purchase of financial assets held at fair value through profit and loss	-	(118,229,000)
Changes in assets and liabilities		
(Increase)/decrease in receivables	2,217,027	(219,799)
Increase/(decrease) in payables	(2,221,295)	157,691
Net cash inflows/(outflows) from operating activities	419,572,392	104,834,687

13 Events after the year end date

On dealing date 1 July 2010 there were redemptions of \$11,936,477 (12,325,000 units) which were processed in July.

No other significant events have occurred since balance date which would impact on the financial position of the Trust disclosed in the statement of financial position as at 30 June 2010 or on the results and cash flows of the Trust for the year to 30 June 2010 ended on that date.

14 Contingent liabilities and contingent assets

The Trust has no outstanding contingent assets, contingent liabilities or commitments as at 30 June 2010.

MQ Gateway Trust

Director's declaration

30 June 2010

In the opinion of the directors of the Responsible Entity:

(a) the financial statements and notes set out on pages 5 to 32 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 Trust's financial position as at 30 June 2010 and of its performance for the financial year ended on that date; and

(b) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

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

Director



Scot Thompson

Dated 16 September 2010

Independent auditor's report to the unitholders of MQ Gateway Trust

We have audited the accompanying financial report of MQ Gateway Trust, ("the Trust") which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Responsible Entity, MQ Portfolio Management Limited, are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2(a), the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the trust's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trust's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

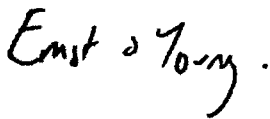
Independence

In conducting our audit we have met the independence requirements of the *Corporations Act 2001*. We have given to the directors of the Responsible Entity a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Auditor's Opinion

In our opinion:

1. the financial report of MQ Gateway Trust is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of MQ Gateway Trust at 30 June 2010 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.



Ernst & Young



Graeme McKenzie
Partner
Sydney
16 September 2010