

RESULTS FOR ANNOUNCEMENT TO THE MARKET

APPENDIX 4E

PRELIMINARY FINANCIAL REPORT

Year ended 30 June 2016

Gateway Lifestyle Operations Limited ABN 63 605 543 968

One Managed Investment Funds Limited ABN 47 117 400 987 AFSL 297042 as responsible entity for Residential Parks No. 2 Trust ARSN 605 803 414

Gateway Lifestyle Group was established during the previous period for the purpose of a joint quotation of Gateway Lifestyle Operations Limited ("the Company" or "GTY") and its controlled entities, and Residential Parks No 2 Trust ("the Trust") and its controlled entities, on the Australian Stock Exchange. GTY was established on 15 June 2015.

This Preliminary Financial Report does not include all the notes of the type normally included in an Annual Financial Report. Users of the financial accounts should familiarise themselves with Note 1 in the financial statements for the year ended 30 June 2015, in order to make an informed assessment of GTY's financial results and activities for the year ended 30 June 2016.

This Preliminary Financial Report is based on financial statements and accounts that are currently in the process of being audited.

Details of reporting period

Current Period: 1 July 2015 to 30 June 2016

Prior Period: 1 July 2014 to 30 June 2015

Statutory NPAT

Revenue / Profit	FY16	FY15	Change	
	\$ '000	\$ '000	\$ '000	%
Revenues from ordinary operations	113,802	5,859	107,943	1842%
Profit/(loss) from ordinary activities after tax attributable to members	38,927	(30,773)	69,700	226%
Net Profit/(loss) attributable to members	38,927	(30,773)	69,700	226%
Net profit/(loss) attributable to non-controlling interests	-	361	(361)	(100%)

Net Tangible Assets	FY16	FY15		
Net Tangible Assets per Security	\$1.40	\$1.32	8 cents	6%
Earnings Per Security ¹	14.6 cents	(12.3 cents)	27 cents	218%

¹ Diluted EPS is the same as Basic EPS

Dividends (distributions)	Amount per Security	Franked amount per security	Record Date
5.31 cents per stapled security paid on 26 February 2016 (unfranked distribution)	5.31 cents	-	31-Dec-15
5.57 cents per stapled security to be paid on 26 September 2016 (unfranked distribution)	5.57 cents	-	30-Jun-16
Total distribution for the year	10.88 cents	-	

There was no dividend reinvestment plan in operation during the year

Underlying NPAT

The underlying NPAT reports the operating results of Gateway Lifestyle Group after excluding certain non-cash, non-operating and non-recurring items which would not ordinarily relate to the respective period's underlying performance (Underlying Adjustments). The Underlying Adjustments have been presented in accordance with the Australian Securities and Investment Commission (ASIC) Regulatory Guide 230 Disclosing non-IFRS financial information issued in December 2011. The Directors consider that the underlying NPAT provide users with a clearer explanation of Gateway Lifestyle Group's operating performance for FY16.

Underlying net profit attributable to security holders was \$44.8m. A reconciliation to underlying net profit is provided below:

Statutory Net Profit after Tax	\$38,927,662
Non-recurring operational ¹	\$928,000
Non-recurring corporate ²	\$4,057,821
Non-cash statutory adjustments ³	\$2,621,522
Income Tax effect on Underlying Adjustments	\$(1,692,448)
Underlying NPAT	\$44,842,557

1. Non-recurring operational adjustments relate to one off expenditure resulting from integration of acquired assets.
2. Non-recurring corporate adjustments relate to one-off adjustments relating to IPO restructuring costs, acquisition due-diligence costs, capital raise associated professional costs and personnel costs related to integration of acquisition assets.
3. Non-cash statutory adjustments relate to an Edgewater DMF written-off during the year, the accounting impact of hedging costs and earn outs from acquisitions, net fair value adjustments.

The Group achieved a statutory net profit after tax of \$38.9 million representing a statutory earnings per security (EPS) of 14.60 cents per volume weighted security and an underlying net profit after tax of \$44.8 million representing an underlying EPS of 17.12⁴ cents per volume weighted security in line with guidance provided and \$3.4 million above PDS forecast.

4. VWS is calculated based upon the absolute number securities on issue pre and post the equity raise.

Operating and Financial Review

During the 2016 financial year, Gateway Lifestyle Group executed on its strategy by continuing to acquire, manage and integrate manufactured home estates (MHE) to provide affordable accommodation to senior Australians by:

- achieving the settlement target for FY16 (PDS⁵ forecast: 261) with 262 actual settlements;
 - achieving an average gross profit per home settled for FY16 of \$100,400 (PDS forecast \$98,000 per home settled);
 - 5,623 occupied residential sites with an average residential site rent of \$141 per week (PDS forecast \$141 per week), including the new MHE assets acquired;
 - acquiring 17 MHEs to add 3,403 sites to the Group's portfolio (including one acquisition located at Terrigal that settled subsequent to year-end on 22 July 2016) to make a combined portfolio of 9,515 sites. Included in the 17 MHEs acquired were 2 parcels of land comprising 269 sites with existing development application (DA) approvals for MHEs; and
 - ensuring the Group maintained a strong balance sheet for growth by securing a \$70m increase in debt facilities and successfully completing an equity capital raising of \$120m. As at 30 June 2016, the Group had \$145m in undrawn debt capacity to support future growth and low gearing at 17% (pre settlement of the Terrigal MHE acquisition).
5. PDS means the prospectus and product disclosure statement lodged with ASX on 29 May 2015.

For all other information required by Appendix 4E, please refer to the following documents:

- Preliminary Financial Report
- Results Presentation and ASX release
- It is recommended that this Preliminary Financial Report be read in conjunction with any public announcements made by GTY for the year ended 30 June 2016.



GATEWAY LIFESTYLE OPERATIONS LIMITED

ABN 63 605 543 968

ONE MANAGED INVESTMENT FUNDS LIMITED

ABN 47 117 400 987 AFSL 297042

AS A RESPONSIBLE ENTITY FOR RESIDENTIAL PARKS

NO.2 TRUST

ARSN 605 803 414

PRELIMINARY FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

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CONSOLIDATED FINANCIAL STATEMENTS

GENERAL INFORMATION

The financial statements cover both

- Gateway Lifestyle Operations Limited and Residential Parks No. 2 Trust and their controlled entities (Gateway Lifestyle Group); and
- Residential Parks No. 2 Trust and its controlled entities (RPT 2 Group)

The financial statements are presented in Australian dollars, which is Gateway Lifestyle Group's functional and presentation currency.

As permitted by Class Order 13/1050 "Financial reporting by stapled entities", issued by the Australian Securities and Investments Commission ("ASIC"), these financial statements are combined consolidated financial statements of Gateway Lifestyle Group and consolidated financial statements of RPT 2 Group.

Gateway Lifestyle Group is a stapled ASX listed Australian entity, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Suite 303, 7-9 Irvine Place
Bella Vista
New South Wales 2153

Principal place of business

Suite 303, 7-9 Irvine Place
Bella Vista
New South Wales 2153

Each fully paid unit in the Residential Parks No. 2 Trust is stapled to one fully paid share in Gateway Lifestyle Operations Limited and can only be dealt with as a stapled security.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 30 August 2016. The Directors have the power to amend and reissue the financial statements.

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

		Gateway Lifestyle Group	
	Note	2016 \$'000	Restated 2015 \$'000
Revenue from continuing operations	3	113,802	5,859
Other income	3	1,169	98
Net fair value adjustment on investment properties		1,012	125
Net fair value adjustment on financial instruments		215	-
Expenses			
Investment property expenses	5	12,160	968
Manufactured home sale expenses	5	37,820	361
Sales and marketing expenses		1,442	-
Employee benefits expense		19,228	1,834
Administration expenses		6,227	4,107
Other expenses		1,120	-
Finance costs	5	6,780	2,711
Net loss on disposal of assets		-	17
Transaction expenses		(1,343)	26,893
Profit/(loss) before income tax expense from continuing operations		32,764	(30,809)
Income tax benefit	6	6,163	36
Profit/(loss) after income tax expense from continuing operations		38,927	(30,773)
Profit/(loss) after income tax expense for the year		38,927	(30,773)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		38,927	(30,773)
Total comprehensive income (loss) attributable to stapled securityholders		38,927	(31,134)
Non-controlling interest		-	361
Total comprehensive income (loss) for the year		38,927	(30,773)

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016 (CONTINUED)

	Gateway Lifestyle Group	
	2016	Restated 2015
Note	Cents	Cents
	<hr/>	
Earnings per stapled security		
Basic/diluted earnings (loss) per stapled security	14.6	(12.3)

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Gateway Lifestyle Group		
	30 June	Restated	
Note	2016	30 June	
	\$'000	2015	
	\$'000	\$'000	
Assets			
Current assets			
Cash and cash equivalents	7	18,563	11,243
Trade and other receivables		4,005	9,089
Inventories		9,353	6,616
Other		2,101	2,476
Total current assets		<u>34,022</u>	<u>29,424</u>
Non-current assets			
Investment properties		516,145	347,166
Plant and equipment		701	309
Intangibles		140,738	140,359
Non-current financial asset		13	-
Deferred tax		10,219	3,420
Total non-current assets		<u>667,816</u>	<u>491,254</u>
Total assets		<u>701,838</u>	<u>520,678</u>
Liabilities			
Current liabilities			
Trade and other payables		11,737	22,970
Income tax		6,548	6,231
Employee benefit liabilities		896	789
Provisions		16,676	515
Borrowings		-	716
Total current liabilities		<u>35,857</u>	<u>31,221</u>
Non-current liabilities			
Borrowings		102,819	50,180
Lease liabilities		580	-
Employee benefit liabilities		106	-
Other non-current liabilities		1,845	2,848
Deferred tax		1,598	2,114
Total non-current liabilities		<u>106,948</u>	<u>55,142</u>
Total liabilities		<u>142,805</u>	<u>86,363</u>
Net assets		<u>559,033</u>	<u>434,315</u>
Equity			
Contributed equity		583,421	467,851
Treasury stapled securities		(325)	(325)
Reserves		(494)	(636)
Retained profits (accumulated losses)		<u>(23,569)</u>	<u>(32,575)</u>
Total Equity		<u>559,033</u>	<u>434,315</u>

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2016

	Gateway Lifestyle Group	
	30 June 2016 \$'000	Restated 30 June 2015 \$'000
Balance at 1 July	434,315	18,533
Total comprehensive income (loss) for the year	38,927	(30,773)
Transaction with members recorded directly in equity		
Trust units issued	-	11,787
Other contributed capital	-	4,095
Stapled securities issued in business combination	-	63,288
Stapled securities issued in Initial Public Offer/capital raising	120,000	389,281
Equity raising costs	(4,430)	(19,549)
Return of capital	-	(57)
Distribution	(29,919)	(3,095)
Equity based payments	-	876
Unvested equity compensation reserve	142	-
Acquisition of non-controlling interest	-	(71)
Balance at 30 June	559,033	434,315

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2016

	Gateway Lifestyle Group	
	Note	Restated 2015 '000
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	120,470	5,211
Payments to suppliers and employees (inclusive of GST)	(84,580)	(33,243)
Interest received	138	94
Interest and other finance costs paid	(3,476)	(1,815)
Transactional costs refunded (Paid)	(284)	
Income taxes paid	(492)	(308)
Net cash from/(used in) operating activities	31,776	(30,061)
Cash flows from investing activities		
Payment for purchase of business, net of cash acquired	(9,417)	(157,086)
Payments for purchase of investment properties	(146,496)	(29,006)
Payments for additions to investment properties	(22,146)	(893)
Proceeds from sale of investment properties	1,910	6,124
Purchase of plant and equipment	(589)	(59)
Purchase of intangible assets	(329)	-
Advance of loan to related parties	-	(445)
Repayment of loans by related parties	445	308
Net cash from /(used in) investing activities	(176,622)	(181,057)
Cash flows from financing activities		
Proceeds from issue of equity	120,000	405,163
Payment for equity issue costs	(4,772)	(20,835)
Return of capital to equity holders	-	(57)
Distribution to equity holders	(13,243)	(1,341)
Distribution to non-controlling equity holders	-	(1,942)
Acquisition of non-controlling interest	-	(71)
Proceeds of loans from related parties	161	-
Repayment of loans from related parties	-	(16,030)
Proceeds from borrowings	192,810	62,290
Payments for borrowing costs	(2,001)	(2,000)
Repayment of borrowings	(140,060)	(205,154)
Principal repayments of lease liabilities	(11)	-
Net cash from/(used in) financing activities	152,884	220,023
Net increase/(decrease) in cash and cash equivalents	8,036	8,905
Cash and cash equivalents at the beginning of the financial year	10,527	1,622
Cash and cash equivalents at the end of the financial year	18,563	10,527

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

As permitted by Class Order 13/1050 issued by the ASIC, these financial statements are combined consolidated financial statements of Gateway Lifestyle Group and consolidated financial statements of RPT 2 Group.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes separate financial statements for:

- Gateway Lifestyle Operations Limited and Residential Parks No. 2 Trust, and their controlled entities (“Gateway Lifestyle Group”); and
- Residential Parks No. 2 Trust and its controlled entities (“RPT 2 Group”)

The head company and legal parent for Gateway Lifestyle Group is Gateway Lifestyle Operations Limited.

The Gateway Lifestyle Group was established on 15 June 2015 for the purpose of a joint quotation of Gateway Lifestyle Operations Limited and its controlled entities, and Residential Parks No. 2 Trust and its controlled entities, on the Australian Securities Exchange, which was achieved by stapling an ordinary share of the newly incorporated Gateway Lifestyle Operations Limited and an ordinary unit of the Residential Parks No. 2 Trust.

In accordance with Australian Accounting Standards, the stapling of RPT 2 Group to Gateway Lifestyle Operations Limited represents a business combination by contract and the Residential Parks No 2 Trust is identified as the accounting acquirer for the stapled group. The consolidated financial statements of Gateway Lifestyle Group represents a continuation of the RPT 2 Group. Following the stapling, the legal parent of Gateway Lifestyle Group, Gateway Lifestyle Operations Limited, is considered under Australian Accounting Standards to control the stapled group and as a result is presented as the accounting parent for Gateway Lifestyle Group .

The Residential Parks No. 2 Trust is a managed investment scheme. One Managed Investment Funds Limited was appointed the responsible entity for the Residential Parks No. 2 Trust on 12 May 2015 and continues to act as the responsible entity in the current period.

The financial report was authorised for issue by the Directors of Gateway Lifestyle Operations Limited and One Managed Investment Funds Limited on 30 August 2016. It is recommended that this report be read in conjunction with the Annual Report for the year ended 30 June 2015 and together with any public announcements made during the year ended 30 June 2016. The accounting policies adopted are consistent with those of the previous financial year.

New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

NOTE 2. OPERATING SEGMENTS

Identification of reportable operating segments

Gateway Lifestyle Group

Gateway Lifestyle Group is organised into two operating segments:

1. Manufactured home operations – revenue generated through the collection of rental income from sites.
2. Manufactured home development – revenue generated through the sale of a manufactured home to a resident.

RPT 2 Group

RPT 2 Group operates only in the manufactured home operations segment.

These operating segments are based on the internal reports that are reviewed and used by the Executive Directors (who are identified as the Chief Operating Decision Makers “CODM”) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews underlying EBITDA (“Earnings Before Interest, Tax, Depreciation and Amortisation”). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements, and then adjusted for underlying items that CODM deem non-recurring, non-operational and non-cash transactions.

Gateway Lifestyle Group and RPT 2 Group do not manage or review the balance sheet on a segment basis and only the segments’ operating results are reported to the CODM. Such segment profit and loss results have been disclosed.

The information reported to the CODM is on at least a monthly basis.

Intersegment transactions

Intersegment transactions were made at market rates. Intersegment transactions are eliminated on consolidation.

Reportable segment revenue and profit

The total of reportable segment revenue and profit is the same as that of Gateway Lifestyle Group’s as a whole and as disclosed in the Consolidated Income Statement.

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Gateway Lifestyle Group

Operating segment information

	Manufactured Home Operations \$'000	Manufactured Home Development \$'000	Intersegment eliminations/ unallocated \$'000	Total \$'000
Consolidated - 2016				
Rental revenue	47,837	-	-	47,837
Operating expense	(16,708)	-	-	(16,708)
Manufactured home sales	-	64,118	-	64,118
Manufactures home expenses	-	(37,820)	-	(37,820)
Net gain on part disposal of investment property	-	-	1,031	1,031
Other revenue	-	-	1,984	1,984
Corporate costs	-	-	(23,321)	(23,321)
Transaction costs	-	-	1,343	1,343
EBITDA	31,129	26,298	(18,963)	38,464
Depreciation and amortisation	-	-	(148)	(148)
Fair value gains/(losses)	-	-	1,228	1,228
Finance costs	-	-	(6,780)	(6,780)
Profit (loss) before income tax expense	31,129	26,298	(24,663)	32,764
Income tax expense	-	-	6,163	6,163
Profit (loss) after income tax expense	31,129	26,298	(18,500)	38,927
Net Non-recurring operational	-	-	-	928
Net Non-recurring corporate	-	-	-	4,058
Net Statutory adjustments (non-cash)	-	-	-	2,621
Tax Benefit from underlying adjustments	-	-	-	(1,692)
Underlying net profit/(loss) after income tax expense	32,057	26,298	(12,896)	44,842
Underlying volume weighted earnings per security⁽¹⁾				17.1 cents

(1) Volume weighted securities is calculated based upon the absolute number of securities on issue pre and post the equity raise.

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

	Manufactured Home Operations \$'000	Manufactured Home Development \$'000	Intersegment eliminations/ unallocated \$'000	Total \$'000
Consolidated - 2015				
Rental revenue	5,404	-	-	5,404
Operating expense	(4,894)	-	-	(4,894)
Manufactured home sales	-	455	-	455
Manufactures home expenses	-	(361)	-	(361)
Other revenue	-	-	98	98
Corporate costs	-	-	(2,028)	(2,028)
Transaction costs	-	-	(26,893)	(26,893)
EBITDA	510	94	(28,823)	(28,219)
Depreciation and amortisation	-	-	(4)	(4)
Fair value gains/(losses)	-	-	125	125
Finance costs	(2,711)	-	-	(2,711)
Profit (loss) before income tax expense	(2,201)	94	(28,702)	(30,809)
Income tax expense	-	36	-	36
Profit (loss) after income tax expense	(2,201)	130	(28,702)	(30,773)

Geographical information

Gateway Lifestyle Group operates in Australia only. The amount of revenue from external customers in Australia is as disclosed in note 3.

NOTE 3. REVENUE

	Gateway Lifestyle Group Restated	
	2016 \$'000	2015 \$'000
From continuing operations		
Sales revenue		
Manufactured home sales	64,118	455
	64,118	455
Other revenue		
Rent from investment properties	47,837	5,404
Other revenue	1,847	-
	49,833	5,404
Revenue from continuing operations	113,802	5,859

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

NOTE 4. OTHER INCOME

Net gain on part disposal of investment property	1,031	-
Interest income	138	98
	<hr/>	<hr/>
Other income	1,169	98
	<hr/>	<hr/>

NOTE 5. EXPENSES

Profit before income tax from continuing operations includes the following specific expenses:

	Gateway Lifestyle Group	
	2016	Restated
	\$'000	2015
	<hr/>	\$'000
	<hr/>	<hr/>
Cost of sales		
Cost of manufactured homes sold	37,820	361
	<hr/>	<hr/>
Expenses on investment properties		
Direct operating expenses from property that generated rental income	12,160	968
	<hr/>	<hr/>
Depreciation		
Property, plant and equipment	148	4
	<hr/>	<hr/>
Finance costs		
Borrowing costs	2,910	894
Interest	3,870	1,817
	<hr/>	<hr/>
Finance costs expensed	6,780	2,711
	<hr/>	<hr/>
Rental expense relating to operating leases		
Minimum lease payments	5	8
	<hr/>	<hr/>
Superannuation expense		
Superannuation guarantee charge	2,070	59
	<hr/>	<hr/>
Equity-based payments expense		
Equity-based payments expense	142	876
	<hr/>	<hr/>

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

NOTE 6. INCOME TAX EXPENSE

	Gateway Lifestyle Group	
	2016	Restated 2015
	\$'000	\$'000
Income tax expense		
Current tax	929	728
Deferred tax - origination and reversal of temporary differences	(7,032)	(764)
Adjustment recognised for prior periods	(59)	-
	<u>(6,162)</u>	<u>(36)</u>
Aggregate income tax expense/(benefit)		
	<u>(6,162)</u>	<u>(36)</u>
Income tax expense (benefit) is attributable to:		
Profit from continuing operations	<u>(6,162)</u>	<u>(36)</u>
Aggregate income tax expense/(benefit)	<u>(6,162)</u>	<u>(36)</u>
Deferred tax included in income tax expense comprises:		
Decrease (increase) in deferred tax assets	<u>(7,032)</u>	<u>(764)</u>
Deferred tax - origination and reversal of temporary differences	<u>(7,032)</u>	<u>(764)</u>
Profit (loss) before income tax expense from continuing operations	<u>32,765</u>	<u>(30,809)</u>
Tax at the statutory tax rate of 30%	(6,242)	(9,243)
Tax effect amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible expenses	138	3,869
Temporary differences not recognised	-	3,258
Assessable Trust income	-	348
Non-assessable trust income	-	(434)
Net loss(profit) attributable to non-controlling interest	<u>-</u>	<u>(108)</u>
	<u>(6,104)</u>	<u>(2,310)</u>
Prior year temporary differences not recognised previously	2	2,274
Adjustment recognised for prior periods	(61)	-
Aggregate income tax expense/(benefit)	<u>(6,163)</u>	<u>(36)</u>

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

NOTE 7. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	Gateway Lifestyle Group	
	2016	Restated 2015
	\$'000	\$'000
Cash on hand	111	16
Cash at bank	18,452	11,227
	<u>18,563</u>	<u>11,243</u>

Reconciliation to cash and cash equivalents at the end of the financial year:

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Balances as above	18,563	11,243
Bank overdraft	-	(716)
	<u>18,563</u>	<u>10,527</u>
Balance as per statement of cash flows		

NOTE 8. EVENTS AFTER THE REPORTING PERIOD

On 22 July 2016, the Company settled the acquisition of the MHE Terrigal Sands Resort for the acquisition price of \$8.5m (excluding transaction costs). This asset is a fully converted MHE with 95 occupied sites.

No other matter or circumstance has arisen since 30 June 2016 that has significantly affected, or may significantly affect the consolidated entities' operations, the results of those operations, or the consolidated entities state of affairs in future financial years.