

	Community Growth Equity Fund	Community Growth Gilt Fund	Community Growth Money Market Fund
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#### Portfolio composition (%) at 30 September 2008

Equity	93.7	-	-
Bonds	-	97.4	-
Money market (includes cash)	6.3	2.6	100.0

#### Unit trust portfolio performance (% return)<sup>1</sup> at 30 September 2008

1 year	-17.9	-18.9	6.7	5.4	11.3	10.5
3 years	7.6	14.0	7.6	6.0	10.0	8.4
5 years	12.8	23.8	6.8	8.1	9.0	8.0
7 years	24.1	18.9	9.0	9.7	N/A	N/A
10 years	20.2	18.8	N/A	N/A	N/A	N/A

#### Distribution per unit (cents)

October 2007	-	-	85.12
November 2007	-	-	80.05
December 2007	-	-	85.18
January 2008	-	-	86.30
February 2008	-	-	82.33
March 2008	-	6.09	88.59
April 2008	-	-	86.57
May 2008	-	-	88.91
June 2008	-	-	95.40
July 2008	-	-	98.59
August 2008	-	-	95.39
September 2008	26.22	5.93	104.69

#### Charges (%)<sup>3</sup>

Initial fee	3.42	0.68	-
Annual service fee	0.57	0.57	0.57
Total expense ratio (TER) <sup>4</sup>	0.58	0.57	0.62

<sup>1</sup> Figures at 30 September 2008, based on lump sum investment excluding initial charges (NAV-NAV prices). Income is reinvested on the ex-dividend date. Fund and benchmark returns are net of annual service fees. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income. Sources: Fund Returns – Morningstar @ 30 September 2008; Fund Benchmark Returns – Old Mutual Investment Group's Internal Performance System @ 30 September 2008.

<sup>2</sup> The Community Growth Equity Fund benchmark is the FTSE/JSE All Share Index; the Community Growth Gilt Fund benchmark is the BEASSA All Bond Index; the Community Growth Money Market Fund benchmark is the Alexander Forbes Composite Short Term Fixed Interest Index (STeFI).

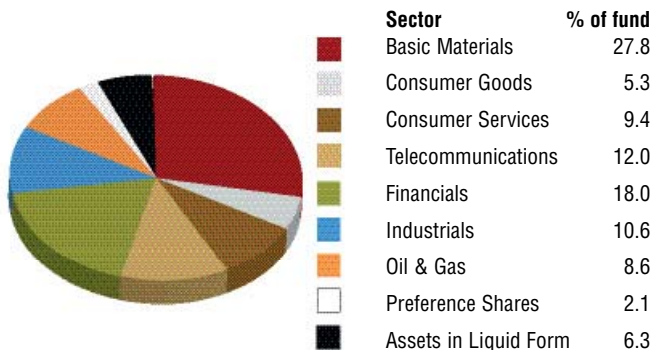
<sup>3</sup> inclusive of VAT

Each fund's total expense ratio (TER) reflects the percentage of the average Net Asset Value of each portfolio that were incurred as charges, levies and fees related to the management of the portfolio.

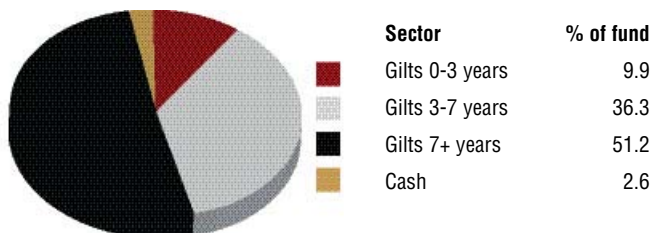
Copies of the audited annual financial statements of the Community Growth Management Company Limited and of the schemes managed by it are available free of charge. They can be downloaded from the website - www.omigsa.com. To request a printed copy please call our Client Service Centre on 0860 103 180 or email us at comanco@oldmutual.com.

### Portfolio composition at 30 September 2008

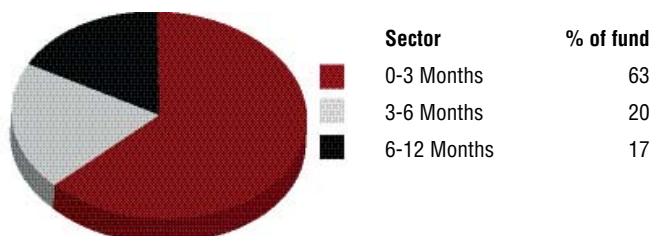
#### COMMUNITY GROWTH EQUITY FUND



#### COMMUNITY GROWTH GILT FUND



#### COMMUNITY GROWTH MONEY MARKET FUND



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## ABRIDGED ANNUAL REPORT 2008



## Chairman's Message



Dear unitholder

Over the past few years, socially responsible investing (SRI) has slowly been gaining ground, giving rise to investment opportunities for investors who are looking for a healthy return on their investment but without compromising their social values.

What is particularly pleasing in the 2008 year under review is the growing interest among investors for socially responsible funds. The latter contributed immensely in raising the profile of our Community Growth Funds (CGF).

The launch of the Johannesburg Securities Exchange (JSE) SRI Index in 2004, the first of its kind in an emerging market and the first to be launched by an exchange, marked the beginning of an increased attention to responsible investment in emerging markets.

This trend has subsequently gathered pace. This year, 61 companies made it on to the JSE's SRI Index, up from 58 last year and 51 when the index was launched in 2004.

For the first time, the Government Employees Pension Fund (GEPF), the country's largest investor, collaborated with the JSE on its SRI Index, which assesses the environmental, social and economic sustainability practices and corporate governance of listed companies. In total, 103 companies were reviewed for inclusion on the SRI Index.

SRI principles on integrating environmental, social and corporate governance considerations into investment processes are fast becoming the only way to do business in the globalising markets of the 21st Century. South African asset managers and institutional investors are realising the benefits of SRI investments, not only in terms of the healthy returns they produce, but also in terms of their contribution to the sustainability of the economy.

### The year in perspective

Globally, inflation, which had been the key threat to global prosperity at the beginning of the year, is no longer an issue for most central banks. Rather, economic growth has become the focus of attention, with governments and their central banks focused on dealing with the worst credit crisis since the Great Depression 80 years ago. As at the time of writing, policy measures like interest rate and tax cuts, aimed at boosting confidence, adding liquidity and improving conditions for both individuals and companies, seem to be taking effect slowly, although more volatility is to be expected.

Domestically, inflation is expected to continue to decline in 2009 and fall within the target range in 2010. This should allow the South African Reserve Bank to start cutting interest rates in the first quarter of 2009, thus helping revive the local economy and ease pressures on hard-hit consumers.

### Performance review

For the year to September 2008, the Community Growth Equity Fund showed a negative return of 17.8%. This was ahead of the FTSE JSE All Share Index's negative return of 20.6%. Although the fund performance is behind the peer group over the quarter, it remains ahead of both the peer group average and its benchmark so far in 2008. The fund also remains ahead of its peer group over five years and remains committed to its long-term objective of outperforming its benchmark and peer group average over the medium to long term. However, the markets have continued to be volatile subsequent to 30 September 2008 which could continue to negatively impact on the returns of the Community Growth Equity Fund.

For the year ending September 2008, the Community Growth Gilt Fund returned 5.80% (net of fees), 66 basis points (bps) above the average fund in the gilt unit trust universe and 23 bps below the BEASSA benchmark (gross of fees). It was ranked fifth out of the 18 funds within this universe.

The Community Growth Money Market Fund returned 11.3%, outperforming the fund's net benchmark of 10.5%.

Going forward, despite the turbulence in the financial markets, we remain optimistic about the future of socially responsible investing.

Yours sincerely

Lot Ndlovu  
Chairman

# COMMUNITY GROWTH MANAGEMENT COMPANY LIMITED

## Abridged Annual Report 2008

	Community Growth Equity Fund	Community Growth Gilt Fund	Community Growth Money Market Fund
	R	R	R
<b>Income statement for the year ended 30 September 2008</b>			
Net income/(deficit) from operations before finance costs	( 455 373)	79 087	1 922
Distributions	86 322	103 915	1 912
<b>Change in net assets attributable to unitholders</b>	<b>( 541 695)</b>	<b>( 24 828)</b>	<b>10</b>
<b>Balance sheet at 30 September 2008</b>			
Assets	2 222 363	1 267 340	18 787
Total liabilities, excluding net assets attributable to unitholders	87 516	52 758	193
<b>Net assets attributable to unitholders</b>	<b>2 134 847</b>	<b>1 214 582</b>	<b>18 594</b>

### PORTFOLIO PERFORMANCE

Unit trust portfolio performance as shown in this report is calculated on a NAV to NAV basis and does not take any initial fees into account. Income is reinvested on the ex-dividend date. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income. Fund and benchmark returns as shown in this report are net of annual service fees.

Sources: Fund returns: Morningstar @ 30 September 2008; Fund benchmark returns: Old Mutual Investment Group's Internal Performance System @ 30 September 2008.

### STATUTORY INFORMATION

Collective Investment Schemes in Securities (Unit trusts) are generally medium to long-term investments. Past performance is no indication of future growth. It is important that you are prepared for some shorter-term fluctuations as your investment moves in line with markets. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Unit trusts may engage in scrip lending and may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. An upfront charge for broker commission (from 0%-3.42% of the investment amount) is deducted prior to the purchase of units. An annual service fee of 0.57% is calculated on the market value of the fund's assets (excluding income and permissible deductions) and deducted from the portfolio on a monthly basis. A schedule of fees and charges and maximum commissions is available from the management company/intermediary. Unit trust prices are calculated on a net asset value (NAV) basis, which is the total market value of all assets in the portfolio including any income accrual and less any permissible deductions from the portfolio divided by the number of units in issue.

Permissible deductions may include compulsory and bank charges, brokerage, marketable securities tax, other taxes and levies, custodian and trustees' fees and audit fees. Commission and incentives may be paid by Comanco and if so, are included in the overall costs. Each scheme's total expense ratio (TER) reflects the percentage of the average Net Asset Value of each portfolio that were incurred as charges, levies and fees related to the management of the portfolio. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's. You can easily sell your investment at the ruling price of the day (calculated at 15h00 on a forward pricing basis). Instructions must reach Community Growth Management Company before 15h00 (13h00 for the Community Growth Money Market Fund) to ensure same day value. The Community Growth Money Market Fund unit price is static and interest is declared daily at 13h00 and paid monthly. While a constant price is maintained, the investment capital is not guaranteed. Community Growth Management Company is a member of the Association of Collective Investments, SA. Trustees: The Standard Bank of South Africa Limited, PO Box 54, Cape Town, 8000.

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Complaints: Write to our Client Services Manager at the above address or for further information call 0860 103 180 • Compliance Officer: (021) 509 2570.