

Satrix SWIX Top 40 Trust

Annual Financial Statements

for the year ended 31 December 2007

Satrix SWIX Top 40 Trust

Annual Financial Statements

for the year ended 31 December 2007

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Satrix SWIX Top 40 Trust

Trustee's responsibility and approval

for the year ended 31 December 2007

The Trustee is responsible for the preparation and fair presentation of the annual financial statements of Satrix Swix Top 40 Trust, comprising the balance sheet at 31 December 2007, and the income statement, statement of changes in net assets attributable to investors and cash flow statement for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, and the Trustee's report in accordance with International Financial Reporting Standards and in the manner required by the Collective Investment Schemes Control Act and the Trust Deed.

The Trustee's responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are 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.

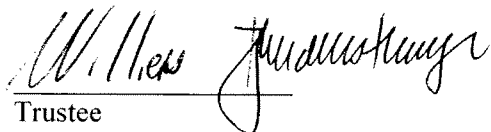
The Trustee's responsibility also includes maintaining adequate accounting records and an effective system of risk management.

The Trustee has made an assessment of the Trust's ability to continue as a going concern and has no reason to believe the business will not be a going concern in the year ahead.

The Auditor is responsible for reporting on whether the annual financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of the annual financial statements

The annual financial statements of Satrix Swix Top 40 Trust, as identified in the first paragraph, were approved by the Trustee on 7 March, 2008 and are signed on their behalf by


Trustee



KPMG Inc
KPMG Crescent
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Private Bag 9, Parkview, 2122, South Africa

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Internet <http://www.kpmg.co.za/>

Report of the independent auditor

To the Trustee of Satrix SWIX Top 40 Trust

Report on the financial statements

We have audited the financial statements of Satrix SWIX Top 40 Trust, which comprise the balance sheet at 31 December 2007, and the income statement, the statement of changes in net assets attributable to investors and cash flow statement for the period then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, and the Trustee's report as set out on pages 4 to 34.

Trustee's responsibility for the financial statements

The Trustee is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Collective Investment Schemes Control Act and Trust Deed. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are 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.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Satrix SWIX Top 40 Trust at 31 December 2007, and its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards, and in the manner required by the Collective Investment Schemes Control Act and Trust Deed.

KPMG Inc.

Per LJ Wormald
Chartered Accountant (SA)
Registered Auditor
Director
7 March 2008

KPMG Inc, a company incorporated under the South African Companies Act and a member firm of the KPMG network of independent member firms affiliated with KPMG International, a Swiss cooperative.

KPMG Inc is a Registered Auditor, in public practice, in terms of the Auditing Profession Act, 26 of 2005.
Registration number 1999/021543/21

Policy Board
Chief Executive: RM Kgosana
Executive Directors: TH Bashaai, DC Dufield, A Han, TH Hoque, FB Leth, JS McIntosh, AM Mkgabudi, D van Heerden
Other Directors: J.P. Fouze, A Jaffer, E Magenda, S Motau, CM Rood, Y Solomon (Chairman of the Board), A Thunstrom, JM Vice

The company's principal place of business is at KPMG Crescent, 85 Empire Road, Parktown, where a list of the directors' names is available for inspection.

Satrix SWIX Top 40 Trust

Trustee's report

for the year ended 31 December 2007

The Trustee has pleasure in presenting its report for the year ended 31 December 2007.

Nature of business

The Satrix SWIX Top 40 Trust (the Trust) was established on 7 March 2006 and is registered in terms of the Collective Investment Schemes Control Act (CISCA) as set out in the supplemental Trust Deed no 5. The investment objective of the Trust is to track the price and yield performance of the FTSE/JSE Shareholder Weighted Top 40 Index (SWIX Top 40 Index).

The underlying portfolio of securities is held by the Satrix SWIX Top 40 Trust and holders of Satrix SWIX Index Securities will have rights against the Satrix SWIX Top 40 Trust, this includes rights to the income earned from those assets.

Satrix SWIX Index Securities are securities listed and traded on the JSE in much the same way as any listed share. By owning Satrix SWIX Index Securities an investor will obtain market exposure to the constituent companies included in the Index SWIX Top 40 Index.

Trustee

The Trustee at the date of this report is ABSA Bank Ltd.

Manager

The manager at the date of this report is Satrix Managers (Pty) Ltd.

Beneficiaries

Vested income beneficiaries include all holders of Satrix Swix Top 40 securities.

Satrix SWIX Top 40 Trust

Balance sheet

at 31 December 2007

	<i>Notes</i>	2007 R	2006 R
Assets			
Listed investments held at fair value through profit and loss	2	120 204 596	129 209 808
Trade and other receivables	3	1 606 682	123 242
Cash and cash equivalents		405 833	480 000
Total assets		122 217 111	129 813 050
Liabilities			
Trade and other payables	5	1 971 586	533 744
Net assets attributable to investors	4	120 245 525	129 279 306
Total liabilities		122 217 111	129 813 050

Satrix SWIX Top 40 Trust

Income statement

for the year ended 31 December 2007

	<i>Notes</i>	For the year ended 31 December 2007 R	For the ten months ended 31 December 2006 R
Revenue			
Dividend income		3 276 943	1 349 970
Fee income: Securities lending		148 266	37 657
Interest income		45 400	25 654
		3 470 609	1 413 281
Fair value adjustment, net of transaction costs	6	(18 128)	(80 602)
Expenses			
Management and administrative expenses	9	(592 995)	(253 877)
Income available for distribution		2 859 486	1 078 802
Distributions	7	(2 844 634)	(1 052 725)
Undistributed income before taxation		14 852	26 077
Taxation	10	-	-
Undistributed income attributable to investors		14 852	26 077

Satrix SWIX Top 40 Trust

Statement of changes in net assets attributable to investors

for the year ended 31 December 2007

	Capital attributable to investors R	Income attributable to investors R	Total R
Balance at 1 January 2006	-	-	-
Undistributed income attributable to investors		26 077	26 077
Creation of securities	111 804 576		111 804 576
Revaluation of securities	17 448 653		17 448 653
Balance at 31 December 2006	129 253 229	26 077	129 279 306
Undistributed income attributable to investors	-	14 852	14 852
Liquidation of securities	(26 688 079)		(26 688 079)
Revaluation of securities	17 639 446		17 639 446
Balance at 31 December 2007	120 204 596	40 929	120 245 525

Satrix SWIX Top 40 Trust

Cash flow statement

for the year ended 31 December 2007

	<i>Note</i>	For the year ended 31 December 2007 R	For the ten months ended 31 December 2006 R
Cash (utilised)/generated from operating activities	<i>12</i>	(490 327)	194 282
Dividend income		3 276 943	1 349 970
Interest income		45 400	25 654
Net cash inflow from operating activities		2 832 016	1 569 906
Cash inflow/(outflow) from investing activities		26 626 530	(111 841 757)
Purchases of equities		(19 628 588)	(118 394 914)
Proceeds from sale of equities		46 255 118	6 553 157
Cash (outflow)/ inflow from financing activities		(29 532 713)	110 751 851
(Liquidations)/ creations of securities	<i>8</i>	(26 688 079)	111 804 576
Cash distributed to unit holders		(2 844 634)	(1 052 725)
Net (decrease)/ increase in cash and cash equivalents		(74 167)	480 000
Cash and cash equivalents at the beginning of year		480 000	–
Cash and cash equivalents at the end of year		405 833	480 000

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007

1. Accounting policies

The financial statements incorporate the principal accounting policies set out below, which are consistent with those adopted in the previous financial year.

1.1 Basis of preparation

The financial statements are prepared on a historic cost basis, except for financial instruments, which are accounted for as set out in note 1.3.

1.2 Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board ("IASB"), and in accordance with the requirements of the Trust Deed and Collective Investment Schemes Control Act No 45 of 2002.

1.3 Financial instruments

Measurement

Financial instruments are recognised when, and only when, the Trust becomes a party to the contractual provisions of that particular instrument. Financial instruments are initially measured at fair value, and for instruments not at fair value through profit and loss, any directly attributable transaction costs.

Subsequent to initial recognition these instruments are measured as set out below.

Investments

Listed investments are measured at fair value through profit and loss. Fair value is determined with reference to quoted market prices at the balance sheet date, as published in the financial press, at reporting date.

Trade and other receivables

Trade and other receivables originated by the Trust are measured at amortised cost using the effective interest method, less impairment losses. Trade and other receivables are short term in nature and are not discounted.

Cash and cash equivalents

Cash and cash equivalents are measured at amortised cost.

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

1. Accounting policies (continued)

1.3 Financial liabilities

Financial liabilities, other than those held at fair value through profit and loss, are measured using the effective interest method. Financial liabilities arising from the securities issued by the Trust are carried at the fair value representing the investor's right to a residual interest in the Trust's net assets, i.e. the Net Asset Value of the trust.

Fair value gains and losses on subsequent measurement

Unrealised gains and losses arising from a change in the fair value of financial instruments are included in net profit or loss in the period in which the change arises.

Offset

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when the Trust has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial instruments

The Trust derecognises financial assets when and only when:

- The contractual rights to the cash flows arising from the financial assets have expired or have been forfeited by the Trust; or
- It transfers the financial assets including substantially all the risks and rewards of ownership of the assets; or
- It transfers the financial assets, neither retaining nor transferring substantially all the risks and reward of ownership of the asset, but no longer retains control of the assets.

A financial liability is derecognised when and only when the liability is extinguished, this is, when the obligation specified in the contract is discharged, cancelled or has expired.

The difference between the carrying amount of a financial liability (or part thereof) extinguished or transferred to another party and consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the income statement.

1.4 Revenue

Revenue comprises income from securities lending activities and investment income.

Securities lending fee income

The fees earned for the administration of securities lending activities are accounted for on an accrual basis in the period in which the service is rendered.

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

1.5 Investment income

Interest income is recognised in the income statement, using the effective rate method, taking into account the expected timing and amount of cash flows.

Dividends in the form of cash and manufactured dividends are recognised when the right to receive payment is established.

1.6 Taxation

Under the current system of taxation in South Africa, the Trust is exempt from paying tax on income or capital gains. Both income and capital gains are taxed in the hands of the investors.

1.7 Securities lending

The portfolio engages in securities lending activities up to 70% of the assets under management. Collateral is held by the relevant lending desks – refer to note 11.

Manufactured dividends received are recognised as income in the income statement.

1.8 Expenses

Expenses are recognised as incurred.

1.9 Impairment

Financial assets that are stated at cost or amortised cost are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such indication exists, an impairment loss is recognised in the income statement as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If in a subsequent period the amount of an impairment loss recognised on a financial asset carried at amortised cost decreases and the decrease can be linked objectively to an event occurring after the write down, the write down is reversed through the income statement.

1.10 Finance costs

Distributions payable on redeemable units are recognised in the income statement as finance costs under distributions.

1.11 Redeemable securities

All redeemable securities issued by the scheme provide investors with the right to require redemption for cash or in specie at the value proportionate to the investors' share. Such instruments give rise to a financial liability for the net asset value of the redemption amount in the Trust's net assets at redemption date. In accordance with the Trust Deed and the Collective Investment Schemes Control Act, the Trust is contractually obliged to redeem securities at the net asset value.

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

1.12 Forthcoming requirements

1.12.1 Amendments adopted in the 2007 annual financial statements

The following standards, amendments to standards, and interpretations, effective for the first time in the current accounting period, and which are relevant to the Trust, have been adopted in these financial statements:

- IAS 1 amendment, 'Additional disclosures in relation to an entity's capital' (effective 1 January 2007);
- IFRS 7 'Financial Instruments: Disclosures' (effective 1 January 2007). IFRS 7 supersedes IAS 32 'Financial Instruments: Disclosure and Presentation'. In particular, IFRS 7 requires additional disclosure over and above that required by IAS 32 in respect of:
 - (i) The significance of financial instruments for an entity's financial position and performance; and
 - (ii) The nature and extent of risks arising from financial instruments; and
 - (iii) Capital objectives and policies.

1.12.2 Future amendments not early adopted in the 2007 annual financial statements

The following standards, amendments to standards, and interpretations, effective in future accounting periods, and which are relevant to the Trust have not been early adopted in these financial statements:

- IAS 1 'Presentation of Financial Statements' (effective 1 January 2009). The changes include a comprehensive revision of primary statements, and include a requirement to introduce a statement of comprehensive income. There will be some limited presentational changes as a result of the introduction of this standard but no changes in measurement or recognition.
- IAS 39 Financial Instruments: Puttable at fair value. The amendments to IAS 32 address this issue and require entities to classify the following types of financial instruments as equity, provided they have particular features and meet specific conditions:
 - (i) Puttable financial instruments (for example, some shares issued by co-operative entities); and
 - (ii) Instruments, or components of instruments, that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation (for example, some partnership interests and some shares issued by limited life entities). Additional disclosures are required for the instruments affected by the amendments. The amendments will apply for annual periods beginning on or after 1 January 2009, with earlier application permitted.

1.13 Comparative figures

Where necessary, comparative figures have been reclassified for presentation purposes. The reclassifications include:

- Statement of changes in net assets attributable to investors, where the investor liability has been split to disclose the capital and income components.
- Cash flow statement, where liquidations and creations of securities as well as distributions to investors have been reclassified from investing activities to financing activities.

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

2. Listed equities held at fair value through profit and loss

No. of shares at 31 December 2007	Name of company	Cost R	Current price R	Market value R	% of equities
	Equities				
	Oil and gas				
	Oil and gas producers				
	Integrated oil and gas				
25 696	Sasol Ltd	6 200 032	339.00	8 710 944	7.25
	Total integrated oil and gas	6 200 032		8 710 944	7.25
	Total oil and gas producers	6 200 032		8 710 944	7.25
	Total oil and gas	6 200 032		8 710 944	7.25
	Basic materials				
	Basic resources				
	Forestry and paper				
	Paper				
6 041	Mondi Ltd	414 697	64.50	389 644	0.32
9 832	Sappi Ltd	916 988	97.30	956 654	0.80
	Total paper	1 331 685		1 346 298	1.12
	Total forestry and paper	1 331 685		1 346 298	1.12
	Industrial metals				
	Steel				
12 222	ArcelorMittal South Africa	739 268	136.50	1 668 303	1.39
	Total industrial metals	739 268		1 668 303	1.39

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

2. Listed equities held at fair value through profit and loss (continued)

No. of shares at 31 December 2007	Name of company	Cost R	Current price R	Market value R	% of equities
Mining					
General mining					
22 102	Anglo American plc African Rainbow	6 311 772	415.02	9 172 772	7.63
4 579	Minerals Ltd	408 589	152.00	696 008	0.58
40 623	BHP Billiton plc	5 332 009	207.60	8 433 335	7.02
3 852	Exxaro Resources Ltd	176 777	103.45	398 489	0.33
5 159	Kumba Iron Ore Ltd	485 564	285.00	1 470 315	1.22
	Total general mining	12 714 711		20 170 919	16.78
Gold mining					
15 086	Anglogold Ashanti Ltd	4 757 808	293.00	4 420 198	3.68
10 699	Gold Fields Ltd	1 375 586	99.00	1 059 201	0.88
10 922	Harmony Gold Mining Company Ltd	1 114 505	70.46	769 564	0.64
	Total gold mining	7 247 899		6 248 963	5.20
Platinum and precious metals					
5 169	Anglo Platinum Ltd	3 609 639	1010.95	5 220 948	4.34
25 947	Impala Platinum Holdings Ltd	4 346 533	237.25	6 155 927	5.12
171	Lonmin plc	74 861	411.40	70 349	0.06
	Total Platinum and precious metals	8 031 033		11 447 224	9.52
	Total mining	27 993 643		37 867 106	31.50
	Total basic resources	30 064 596		40 881 707	34.01
	Total basic materials	30 064 596		40 881 707	34.01

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

2. Listed equities held at fair value through profit and loss (continued)

No. of shares at 31 December 2007	Name of company	Cost R	Current price R	Market value R	% of equities
	Industrials				
	Construction and materials				
	Building materials and fixtures				
29 431	Pretoria Portland Cement Ltd	1 082 191	43.72	1 286 723	1.07
	Total building materials and fixtures	1 082 191		1 286 723	1.07
	Heavy construction				
21 723	Aveng Ltd	1 324 541	60.85	1 321 845	1.10
18 199	Murray & Roberts Holdings Ltd	1 114 790	102.00	1 856 298	1.54
	Total heavy construction	2 439 331		3 178 143	2.64
	Total construction and materials	3 521 522		4 464 866	3.71
	Industrial goods and services				
	General industries				
	Diversified industrial				
8 331	Barloworld Ltd	585 009	107.70	897 249	0.75
24 610	Remgro Ltd	3 429 260	198.57	4 886 807	4.07
	Total diversified industrial	4 014 269		5 784 056	4.82
	Total general industries	4 014 269		5 784 056	4.82

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

2. Listed equities held at fair value through profit and loss (continued)

No. of shares at 31 December 2007	Name of company	Cost R	Current price R	Market value R	% of equities
	Industrial transportation Transport services				
11 632	Imperial Holdings Ltd	<u>1 782 634</u>	104.38	<u>1 214 148</u>	<u>1.01</u>
	Total transport services	<u>1 782 634</u>		<u>1 214 148</u>	<u>1.01</u>
	Total industrial transportation	<u>1 782 634</u>		<u>1 214 148</u>	<u>1.01</u>
	Support services Business support services				
18 082	Bidvest Ltd	<u>1 995 342</u>	120.50	<u>2 178 881</u>	<u>1.82</u>
	Total business support services	<u>1 995 342</u>		<u>2 178 881</u>	
	Total support services	<u>1 995 342</u>		<u>2 178 881</u>	<u>1.82</u>
	Total industrial goods and services	<u>7 792 245</u>		<u>9 177 085</u>	<u>2.83</u>
	Total industrials	<u>11 313 767</u>		<u>13 641 951</u>	<u>11.36</u>
	Consumer goods Food and beverages Beverages Brewers				
24 616	SABMiller plc	<u>3 200 223</u>	190.01	<u>4 677 286</u>	<u>3.89</u>
	Total brewers	<u>3 200 223</u>		<u>4 677 286</u>	<u>3.89</u>
	Total beverages	<u>3 200 223</u>		<u>4 677 286</u>	<u>3.89</u>

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

2. Listed equities held at fair value through profit and loss (continued)

No. of shares at 31 December 2007	Name of company	Cost R	Current price R	Market value R	% of equities
	Food producers and processors				
	Food products				
7 016	Tiger Brands Ltd	1 137 803	168.00	1 178 688	0.98
	Total food products	1 137 803		1 178 688	0.98
	Total food producers and processors	1 137 803		1 178 688	0.98
	Total food and beverages	4 338 026		5 855 974	4.87
	Personal and household goods				
	Household goods				
	Furnishings				
71 352	Steinhoff International Holdings Ltd	1 584 205	19.40	1 384 229	1.15
	Total furnishings	1 584 205		1 384 229	1.15
	Total household goods	1 584 205		1 384 229	1.15
	Personal goods				
	Clothing and accessories				
114 497	Richemont Securities DR	3 666 558	46.20	5 289 761	4.40
	Total clothing and accessories	3 666 558		5 289 761	4.40
	Total personal goods	3 666 558		5 289 761	4.40
	Total personal and household goods	5 250 763		6 673 990	5.55

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

2. Listed equities held at fair value through profit and loss (continued)

No. of shares at 31 December 2007	Name of company	Cost R	Current price R	Market Value R	% of equities
	Health care				
	Health care equipment and service providers				
76 363	Network Healthcare Holdings Ltd	773 643	11.58	884 284	0.74
	Total health care providers	773 643		884 284	0.74
	Total health care equipment and services	773 643		884 284	0.74
	Total health care	773 643		884 284	0.74
	Consumer services				
	Media				
	Broadcasting and entertainment				
15 081	Naspers Ltd	2 076 431	162.00	2 443 122	2.03
	Total broadcasting and entertainment	2 076 431		2 443 122	2.03
	Total media	2 076 431		2 443 122	2.03
	Total consumer services	2 076 431		2 443 122	2.03

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

2. Listed equities held at fair value through profit and loss (continued)

No. of shares at 31 December 2007	Name of company	Cost R	Current price R	Market value R	% of equities
	Telecommunications				
	Fixed line tele- communications				
14 617	Telkom SA Ltd	2 005 142	138.00	2 017 146	1.68
	Total fixed line tele- communications	2 005 142		2 017 146	1.68
	Mobile tele- communications				
101 489	MTN Group Ltd	6 456 954	128.06	12 996 681	10.81
	Total mobile tele- communications	6 456 954		12 996 681	10.81
	Total tele- communications	8 462 096		15 013 827	12.49
	Financials				
	Banks				
18 506	ABSA Group Ltd	2 154 382	111.00	2 054 166	1.71
230 867	FirstRand Ltd	4 224 206	19.75	4 559 623	3.79
12 500	Nedbank Group Ltd	1 562 428	136.00	1 700 000	1.41
49 727	RMB Holdings Ltd	1 437 641	29.60	1 471 919	1.22
75 175	Standard Bank Group Ltd	6 364 844	100.08	7 523 514	6.26
	Total banks	15 743 501		17 309 222	14.39
	Insurance				
	Life assurance				
7 923	Liberty Group Ltd	616 608	89.75	711 089	0.59
120 185	Old Mutual plc	2 686 265	22.91	2 753 438	2.29
126 320	Sanlam Ltd	2 106 452	22.75	2 873 780	2.39
	Total insurance	5 409 325		6 338 307	5.27

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

2. Listed equities held at fair value through profit and loss (continued)

No. of shares at 31 December 2007	Name of company	Cost R	Current price R	Market value R	% of equities
	Financial services				
	Real estate				
	Real estate holding and development				
7 957	Liberty International plc	1 216 505	147.84	1 176 363	0.98
	Total real estate holding and development	1 216 505		1 176 363	0.98
	Total real estate	1 216 505		1 176 363	0.98
	General financial				
	Investment services				
12 849	Investec Ltd	896 342	65.25	838 397	0.70
6 943	Investec plc	491 502	62.87	436 507	0.36
	Total investment services	1 387 844		1 274 904	1.06
	Total general financial	1 387 843		1 274 904	1.06
	Total financial services	2 604 348		2 451 267	2.04
	Total financials	23 757 176		26 098 797	21.71
	Total Equities	92 236 530		120 204 596	100.00

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

2. Listed equities held at fair value through profit and loss (continued)

No of shares at 31 December 2006	Name of company	Cost R	Current price R	Market value R	% of equities
31 882	Oil and Gas Sasol Ltd	7 645 576	258.79	8 250 743	6.39
	Total Oil and Gas	7 645 576		8 250 743	6.39
	Basic Materials				
12 176	Sappi Ltd	1 127 104	117.50	1 430 680	1.11
15 135	Mittal Steel South Africa Ltd	1 109 226	98.25	1 487 013	1.15
30 958	Anglo American plc BHP Billiton	8 723 027	342.00	10 587 636	8.19
50 282	plc Kumba Iron Ore Ltd	6 487 720	128.95	6 483 864	5.02
6 389	Anglo Gold Ltd	581 652	111.25	710 776	0.55
14 012	Gold Fields Ltd	4 509 720	329.99	4 623 820	3.58
14 321	Harmony Gold Mining Co. Ltd	1 857 844	132.75	1 901 113	1.47
13 535	Anglo American Platinum Co. Ltd	1 383 917	111.20	1 503 980	1.16
5 945	Lonmin plc	3 916 464	856.03	5 089 098	3.94
291	Impala Platinum Holdings Ltd	124 357	411.60	119 776	0.09
28 209	Exxaro Resources Ltd	4 448 372	184.00	5 190 456	4.02
4 770		214 144	56.00	267 120	0.21
	Total Basic Materials	34 483 547		39 395 332	30.49

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

2. Listed equities held at fair value through profit and loss (continued)

No of shares at 31 December 2006	Name of company	Cost R	Current price R	Market value R	% of equities
	Industrials				
1 458	Pretoria Portland Cement Co. Ltd	581 244	388.00	565 704	0.44
10 215	Barloworld Ltd	1 384 377	164.00	1 675 260	1.30
13 274	Reunert Ltd	943 706	81.75	1 085 150	0.84
14 118	Imperial Holdings Ltd	2 243 827	163.99	2 315 211	1.79
22 057	The Bidvest Group Ltd	2 506 969	133.80	2 951 226	2.28
	Total Industrials	7 660 123		8 592 551	6.65
	Consumer goods				
30 484	SABMiller plc Tiger Brands Ltd	3 918 237	160.44	4 890 853	3.79
8 689	Steinhoff International Holdings Ltd	1 423 032	171.00	1 485 819	1.15
77 454	Richemont Securities AG	1 757 382	24.85	1 924 732	1.49
141 791		4 583 558	40.90	5 799 252	4.49
	Total Consumer Goods	11 682 209		14 100 656	10.92
	Health Care				
121 045	Network Healthcare Holdings Ltd	1 242 599	13.81	1 671 631	1.29
	Total Health Care	1 242 599		1 671 631	1.29

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

2. Listed equities held at fair value through profit and loss (continued)

No of shares at 31 December 2006	Name of company	Cost R	Current price R	Market value R	% of equities
	Consumer Services				
16 500	Pick 'n Pay Stores Ltd Edgars Consolidated	509 616	33.10	546 150	0.42
28 834	Stores Ltd	1 072 166	39.01	1 124 814	0.87
16 352	Naspers Ltd	<u>2 147 911</u>	166.00	<u>2 714 432</u>	<u>2.10</u>
	Total Consumer Services	<u>3 729 693</u>		<u>4 385 396</u>	<u>3.39</u>
	Telecommuni- cations				
18 503	Telkom SA Ltd	2 615 604	141.49	2 617 989	2.03
125 825	MTN Group Ltd	<u>7 853 498</u>	85.30	<u>10 732 873</u>	<u>8.31</u>
	Total Telecommuni- cations	<u>10 469 102</u>		<u>13 350 862</u>	<u>10.34</u>

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

2. Listed equities held at fair value through profit and loss (continued)

No of shares at 31 December 2006	Name of company	Cost R	Current price R	Market value R	% of equities
	Financial Services				
	ABSA Group				
22 642	Ltd	2 625 768	125.10	2 832 514	2.19
285 903	FirstRand Ltd	5 561 300	22.20	6 347 047	4.91
15 280	Nedcor Ltd	1 902 274	133.50	2 039 880	1.58
	RMB Holdings				
60 496	Ltd	1 740 264	33.40	2 020 566	1.56
	Standard Bank				
91 839	Group Ltd	7 789 577	94.50	8 678 786	6.72
	Liberty Group				
9 391	Ltd	736 394	83.01	779 547	0.60
148 836	Old Mutual Ltd	3 323 515	23.90	3 557 180	2.75
158 809	Sanlam Ltd	2 624 317	18.30	2 906 205	2.25
	Liberty International				
9 854	plc	1 504 754	190.33	1 875 512	1.45
	African Bank				
	Investments				
33 843	Ltd	1 035 245	28.60	967 910	0.75
30 477	Remgro Ltd	4 208 403	178.01	5 425 211	4.20
15 313	Investec Ltd	1 059 727	87.74	1 343 563	1.04
7 684	Investec plc	534 611	89.63	688 716	0.53
	Total Financial Services	34 646 149		39 462 637	30.53
	Total Equities	111 558 998		129 209 808	100.00

Refer to note 11 for details of those securities subject to securities lending arrangements.

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

	For the year ended 31 December 2007 R	For the ten months ended 31 December 2006 R
3. Trade and receivables		
Investment sold but not settled	1 519 860	-
Value added taxation claimable	-	41 514
Dividends receivable	70 708	73 392
Interest receivable	3 180	2 704
Securities lending fee receivable	12 934	5 632
	<u>1 606 682</u>	<u>123 242</u>

Trade and other receivables are of a high quality, therefore there are no trade and other receivables that are past due or impaired.

4. Net assets attributable to investors

Opening balance	129 279 306	-
Current period movement (Liquidation)/creation of securities	(9 048 633)	129 253 229
Revaluation of liabilities	(26 688 079)	111 804 576
	<u>17 639 446</u>	<u>17 448 653</u>
Liability for distribution - 2006	(26 077)	26 077
- 2007	40 929	-
	<u>120 245 525</u>	<u>129 279 306</u>
Total securities in issue	21 718 130	26 718 130

In terms of the Trust Deed and CISCA (Collective Investment Schemes Act), the Trust would be required to pay net asset value to investors on redemption of securities.

5. Trade and other payables

Expense accruals	101 737	69 769
Investors for distribution	336 631	454 208
Value added taxation	5 428	9 767
Investments bought not settled	1 527 790	-
	<u>1 971 586</u>	<u>533 744</u>

A VAT liability has arisen during the current year due to a change in appointment method. The liability at the end on 2007 will be settled by Satrix Managers (Pty) Ltd (refer page 3).

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

	For the year ended 31 December 2007	For the ten months ended 31 December 2006
	R	R
6. Fair value adjustments, net of transaction costs		
Financial assets and liabilities at fair value through profit and loss		
Fair value adjustment on equities	17 621 318	17 368 051
Fair value adjustment on liabilities	<u>(17 639 446)</u>	<u>(17 448 653)</u>
Net fair value loss on financial instruments	(18 128)	(80 602)
Transaction costs included in fair value adjustments	53 616	37 755

7. Distributions

The index securities effect quarterly distributions. All distributions are made out of income of the Satrix SWIX Top 40 Trust. The record dates are 30 March, 29 June, 28 September and 28 December.

During the period under review the following distributions were effected per Satrix SWIX Index Security –

3.56 cents per security declared 23 March 2007 and paid 7 May 2007	951 165	
0.93 cents per security declared 23 June 2006 and paid 25 July 2006		155 479
2.15 cents per security declared 22 June 2007 and paid 27 July 2007	509 940	
3.32 cents per security declared 21 September 2006 and paid 25 October 2006		555 042
4.40 cents per security declared 20 September 2007 and paid 26 October 2007	955 598	
1.70 cents per security declared 20 December 2006 and paid 26 January 2007		454 208
1.55 cents per security declared 19 December 2007 and paid 28 January 2008	336 631	
Cash component of redemption/(subscription) of securities	91 300	(112 004)
	2 844 634	1 052 725

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

	For the year ended 31 December 2007 R	For the ten months ended 31 December 2006 R
8. Creation and liquidation of Satrix SWIX Index Securities		
Nil (26 718 130 – 2006) Satrix SWIX Top 40 Index Securities were created during the period at a value of Nil (R111 804 576 – 2006).		
5 000 000 (Nil – 2006) Satrix SWIX Top 40 Index Securities were liquidated during the period at a value of R 26 688 079. All liquidations were in cash.		
9. Management and administrative expenses		
Management and administrative expenses comprise –		
<i>Management fee paid to Satrix Managers (Pty) Ltd</i>	58 772	-
<i>Direct trust expenses</i>	453 063	253 877
Trustee and custodian fee	176 485	111 739
Asset management fees	163 565	72 512
Audit fees	113 013	49 680
Listing fees	-	9 442
Licence fees	-	10 504
Impairment of assets	81 160	-
	592 995	253 877

The Manager is entitled to a service fee per accounting period equivalent to 50 (fifty) basis points of the market value of the total assets of the portfolio. The Manager has decided to waive a portion of these service fees in order to achieve efficient tracking of the FTSE/JSE SWIX TOP 40 Index.

During the 2007 financial year, listing and licence fees were paid by Satrix Managers (Pty) Ltd out of the management fees claimed from the portfolio, and as a result these are excluded from the expenses set out above for 2007. A similar treatment will be followed in future.

During the current year, management identified an asset that will be irrecoverable and the asset was written off.

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

10. Taxation

Any residual taxable income, whether of a capital or revenue nature, in the Trust is taxable in the hands of the vested beneficiaries. Therefore, there is no capital gains tax or income tax due by the Trust.

11. Securities lending

The Trustee of the Satrix SWIX Top 40 Trust is permitted to engage in securities lending in respect of the securities held by the Satrix SWIX Top 40 Trust as envisaged in the offering circular. The CISCA also permits securities lending in the Trust, subject to the following limitations:

- Not more than 70% of the market value of all the securities in the portfolio can be lent.
- The securities that can be lent to one borrower are limited to 30% of the value of all securities in the portfolio.
- The collateral security for the securities loaned must have an aggregate value that exceeds the market value of the securities loaned by not less than 5%.

If a borrower fails to perform its obligations, the Satrix SWIX Top 40 Trust may be unable to recover the loaned securities.

At balance sheet date significant concentrations of credit risk existed as the Trust engaged in significant securities lending with ABSA Bank Ltd, Standard Bank Group Ltd, Sanlam Investment Management (Pty) Ltd and Rand Merchant Bank. The market value of securities lending exposure as at 31 December 2007 is as follows –

	For the year ended 31 December 2007 R	For the ten months ended 2006 R
ABSA Bank Ltd	1 953 368	1 125 442
Standard Bank Group Ltd	523 398	197 035
Sanlam Investment Management (Pty) Ltd	22 776 635	25 731 879
Rand Merchant Bank (a division of FirstRand Bank Ltd)	10 169 099	2 370 981
	35 422 500	29 425 337
The collateral security for the securities lending in the form of cash, bonds, equities and money market instruments as at 31 December 2007 is as follows:		
ABSA Bank Ltd	106 489 401	2 626 365
Standard Bank Group Ltd	569 458	214 078
Sanlam Investment Management (Pty) Ltd	26 337 876	28 467 434
Rand Merchant Bank (a division of FirstRand Bank Ltd)	11 136 159	2 559 550
	144 532 894	33 867 427

The maximum credit risk the portfolio is exposed to is R35 422 500 should the borrower default.

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

	For the year ended 31 December 2007 R	For the ten months ended 2006 R
12. Cash (utilised)/generated by operations		
Undistributed income before taxation	14 852	26 077
Distributions	2 844 634	1 052 725
Dividend income	(3 276 943)	(1 349 970)
Interest income	(45 400)	(25 654)
Loss before dividends, interest and taxation	(462 857)	(296 822)
Less: Fair value gain on financial instruments	(17 621 318)	(17 368 051)
Add: Fair value loss financial instruments	17 639 446	17 448 653
Adjusted for changes in working capital:		
Increase in trade and other receivables	(1 483 440)	(123 242)
Increase in trade and other payables	1 555 419	79 536
(Decrease)/increase in investors for distribution	(117 577)	454 208
	(490 327)	194 282

13. Related parties

Related parties include Satrix Managers (Pty) Ltd, Satrix FINI Trust, Satrix INDI Trust, Satrix 40 Trust, Satrix RESI Trust, Satrix DIVI Plus Trust, JSE Ltd, Sanlam Investment Management (Pty) Ltd and X-Markets Investment Holdings (Pty) Ltd.

The following related party transactions occurred during the year:

Satrix Managers (Pty) Ltd – note 9 for management fees paid.

There were no material transactions with ABSA in its capacity as Trustee.

14. Risk analysis

Exposure to investment, index, credit, secondary trading, market and operational risks arise in the normal course of investment activities in listed index securities. The entity's acceptance of risk is directly attributable to the risks associated with any investment in equities.

The objectives for managing the risks associated with financial instruments held for investment purposes as well as a brief description of the relevant risks and methods adopted to mitigate these risks, are outlined in more detail below. The Satrix SWIX Top 40 Trust is an underlying portfolio of the Satrix Collective Investment Scheme which is regulated by the Cisca. In terms of the Act the Manager must appoint a Trustee. The assets of the portfolio are held under control of the Trustee.

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

14. Risk analysis (continued)

Management monitors compliance in terms of the CISCA requirements and reports are submitted to the Financial Services Board (FSB) on a monthly basis. Capital adequacy requirements as required by CISCA are maintained by the Manager of the Trust.

Daily pricing of the funds is publicly available.

The Audit Committee oversees management's compliance with the Trust's risk management framework in relation to the risks faced by the portfolio.

The investment policy of the portfolio is track the FTSE/JSE SWIX Top 40 Index as closely as possible, by buying only FTSE/JSE SWIX Top 40 securities in the same weightings in which they are included in the FTSE/JSE SWIX Top 40 Index and selling only securities, which are excluded from the Index from time to time as a result of quarterly Index reviews or corporate actions or which are required to be sold to ensure that the portfolio holds FTSE/JSE SWIX Top 40 securities in the same weighting as they are included in the FTSE/JSE SWIX Top 40 Index. However, the portfolio shall also be entitled, at its discretion and only on a temporary basis; to employ such other investment techniques and instruments as will most effectively give effect to the object or the investment policies of the portfolio. The portfolio will not be managed according to traditional methods of active management, which involve buying and selling of securities based on economic, financial and market analysis and investing judgement. The portfolio shall not buy or sell securities for trading purposes or for any purpose other than to track the FTSE/JSE SWIX Top 40 Index as closely as possible. As a further objective, the securities held by the portfolio shall be managed to generate income for the benefit of investors, for instance, income is generated from scrip lending activities which is applied to reduce expenses and the related tracking error.

The Satrix portfolio will be adjusted as determined by the stipulations of the JSE's Index calculation methodology to conform to changes in the basket of securities comprising the relevant Satrix portfolio so as to substantially reflect the composition and weighting of the securities comprising the Index at all times.

It is recorded that the portfolio's ability to replicate the price and yield performance of the FTSE/JSE SWIX Top 40 Index will be affected by the costs and expenses incurred by the portfolio. Costs and expenses may result in the Index not being replicated perfectly by the portfolio.

The Trust has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Investment risk;
- Index risk;
- Secondary trading risk;
- Operational risks;
- Liquidity risk; and
- Market risk.

The abovementioned risks have been addressed in the below in more detail.

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

14. Risk analysis (continued)

Credit risk

The Trust's exposure to credit risk could be as a result of a counterparty to a transaction failing to meet its contractual obligations. This could arise primarily from the Trust's investment and scrip lending activities.

In terms of CISCA, the Manager may, subject to the requirements of section 95, lend or offer to lend assets included in a portfolio within the limits or on the conditions determined by the Trust Deed. The Trustee of the Trust gives authority to the Manager to lend or offer to lend securities with a value not exceeding 70% of the market value of all securities included in the portfolio. The Manager has proceeded to engage in securities lending in respect of the securities held by the Trust on this basis.

In terms of the standard Trust Deed, the Manager may engage in securities lending under section 85 of CISCA subject to the following limits and conditions:

- The securities lending must be beneficial to all investors;
- The Manager may lend or offer to lend securities with a value not exceeding 70 per cent of the market value of all the securities included in a portfolio;
- The securities that may be lent to one borrower are limited in accordance with the limits determined by the registrar for the inclusion of money market instruments in a portfolio;
- Collateral security for the securities loaned must have an aggregate value that exceeds the market value of the securities loaned by not less than five per cent at all times and may only consist of –
 - Cash; or
 - Other securities; or
 - A combination of cash and other securities.
- Securities may not be lent for a period longer than 12 months; and
- Securities may not be lent unless subject to a right of recall.

In terms of the securities lending agreements, it is the duty of the agent to take delivery of the collateral assets, any appropriate instruments of transfer or instrument of title in respect of the Service Level Agreement (SLA). Collateral assets and instruments of transfer or title are held, on behalf of, and for the benefit of, the principal as represented by the Satrix Swix Top 40 Trust.

The portfolio could be exposed to credit risk to the extent that inadequate collateral is held on the underlying assets. If a borrower fails to perform its obligations, the Trust may be unable to recover the loaned securities. However, the Manager only engages in securities lending with A-rated financial institutions.

The portfolio's exposure to credit risk is mitigated by the agent only accepting the following minimum collateral in the form of:

- 105% Cash Deposit; and/or
- 110% Government Bonds; and/or
- 110% Money Market Instruments restricted to the top four South African banks and Bonds; and/or
- 115% - 120% Equities.

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

14. Risk analysis (continued)

Investment risk

There can be no assurance that the Trust will achieve its investment objectives of replicating the price and yield performance of the FTSE/JSE SWIX Top 40 Index.

The following factors could impact negatively on the investment performance of the Trust:

- Certain costs and expenses incurred by the Trust could cause the underlying portfolio to mistrack against the Index;
- Temporary unavailability of securities in the secondary market or other extraordinary circumstances could cause deviations from the exact weightings of the Index;
- In circumstances where securities comprising the Index are suspended from trading or other market disruptions occur, it may be impossible to rebalance the portfolio of securities held by the Trust and this may lead to tracking error; and
- Misinterpretation of information on the calculation of the index could result in mistracking of the index.

Index risk

There is no assurance that the Index will continue to be calculated and published on the same or similar basis indefinitely. The Index was created by the JSE Ltd as a measure of market performance and not for the purposes of trading Trust Index Securities. The past performance of the Index is not necessarily a guide to its future performance.

The Index may be adjusted from time to time as a result of mergers, re-organisations, schemes of arrangement or other corporate activity involving constituent companies. Any adjustments to the Index will be implemented as determined from time to time in terms of the relevant Index stipulations, for example, if a constituent company pays a special dividend.

The adjustments may require the removal of a constituent company from the Index and the substitution thereof with a new constituent company while at the same time, if necessary, adjusting the base level. The adjustments to the portfolio will be made in such a way that the portfolio will remain substantially aligned with the Index level at all times.

Secondary trading risk

There can be no guarantee that the Trust index securities will remain listed on the JSE Ltd. Despite the presence of market makers, the liquidity of the Trust index securities cannot be guaranteed. The participatory interests may trade at a discount or premium to their Net Asset Value (NAV).

There is no guarantee that Satrix participatory interests will remain listed on the JSE Ltd. Any termination of a listing would be subject to the JSE listing requirements.

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

14. Risk analysis (continued)

Operational risks

If shares in the underlying companies are suspended or cease trading for any reason, the suspended shares will not be delivered to a holder exercising its right to take delivery of the underlying shares until the suspension on the trading in respect of those shares is lifted.

If the computer facilities or other facilities of the JSE malfunction, calculation and trading in the Trust index securities may be suspended for a period of time.

Issues, redemptions and adjustments to rebalance the underlying portfolio of shares in the Trust could affect the value of the underlying shares constituting the Index and thereby also impact on the value of the Trust index securities.

Liquidity risk

Liquidity risk is the risk that the portfolio will not be able to meet its financial obligations towards investors when they fall due.

The approach to managing liquidity risk is to ensure that the portfolio would be able to pay suitable distributions to investors on a quarterly basis. All dividend distributions are approved by the Trustee and calculated by the Manager.

The portfolio could also be exposed to liquidity risk in cases where insufficient funds are available to effect the necessary changes in Index constituents. The need to employ alternative investment techniques would only arise in the event of a liquidity problem, for example, if it's not possible to acquire certain securities comprising the Index due to there being no sellers of such securities.

Satrix Index securities are listed instruments, they are bought and sold on the JSE Ltd through a JSE member. The participatory interests can be sold to the Manager, which is obliged to buy them from the investor.

Market makers will attempt to maintain a high degree of liquidity through continuously offering to buy and sell Satrix participatory interests at prices around the NAV of the participatory interest, thereby ensuring tight buy and sell spreads. Under normal circumstances and conditions, the investor will be able to buy or sell Satrix securities from the market makers.

Market risk

Market risks exist where significant changes in equity prices will affect the value of the portfolio's financial instruments. The investment mandates indicate that the portfolio is passively managed and as a result the management of market risk is not possible.

There is no guarantee that the Satrix portfolio will achieve its investment objective of perfectly tracking the Index.

The value of participatory interests and distributions payable by the Satrix portfolio will rise and fall as the capital values of the underlying securities housed in the portfolio and the income flowing therefrom fluctuates. Prospective investors should be prepared for the possibility that they may sustain a loss.

Satrix SWIX Top 40 Trust

Notes to the financial statements

for the year ended 31 December 2007 (continued)

14. Risk analysis (continued)

The Satrix portfolio may not be able to perfectly replicate the performance of the Index because:

- The fund is liable for certain costs and expenses not taken into account in the calculation of the Index; or
- Certain Index constituents may become temporarily unavailable; or
- Other extraordinary circumstances may result in a deviation from precise index weightings.

Sensitivity analysis

All the portfolio's underlying investments are listed on the JSE Ltd. The price of a Satrix security is closely correlated to the movements in the Index. Any movement or adjustment in the Index, or the underlying constituents of the Index, will have an impact on the price of the security. At any point in time the market value of a Satrix security may be expected to reflect 1/1000th of the Index level, plus an amount which reflects a pro rata portion of any accrued distribution amount within the portfolio.

Actual market values may be affected by supply and demand and other market factors, but the ability of a holder to switch out of Satrix securities by redeeming them in specie for one of more baskets of the constituent securities, subject to a minimum of 1 million participatory interests being delivered, should operate to substantially avoid or minimise any differential which may otherwise arise between the relevant basket and/or Index Level and the value at which the Satrix securities trade from time to time.

At the financial year end, a 100 point move in the Index resulted in a 1,81% move in the NAV.

Investment in derivatives

The Manager may invest in derivatives from time to time. While an investment in derivatives will only be employed within the investment restrictions stipulated in the Trust Deed and the CISCA, some risks may be associated with investment in these instruments.

No significant investments in derivatives were used for the financial year under review.

15. Quarterly review of Satrix SWIX Index Security Prices (cents per unit)

<i>Quarter ended</i>	High	Low	Close
31 March 2007	535	466	535
30 June 2007	568	523	545
30 September 2007	570	475	558
31 December 2007	600	520	555

Satrix SWIX Top 40 Trust

ANNEXURE A: Expense Ratios

Increased consumer demand for greater transparency in financial services and the recognition thereof by the collective investment industry requires Collective Investments Scheme ('CIS') CIS managers to calculate and publish a total expense ratio ('TER') for each portfolio under their management. This is a requirement in terms of the Association of Collective Investment Schemes ('ACI') standard on the calculation and publication of total expense ratios.

The expense ratios mentioned below are unaudited.

1. Total Expense Ratio

The Satrix SWIX Top 40 portfolio had a TER of 36,58 basis points (0,3658%) (annualised) for the period 1 January to 31 December 2007. This ratio does not include the cost of acquiring assets. The current TER cannot be regarded as an indication of future TERs.

2. Actual Expense Ratio ('AER')

The Satrix SWIX Top 40 portfolio had an AER of 29,45 basis points (0,2945%) (annualised) for 2007. The calculation of AER is calculated using the total management expenses of the fund, including Manager and Trust expenses, less the income derived from securities lending activities. The manager engages in securities lending with the sole aim reducing the net expenses of managing the Satrix SWIX Top 40 portfolio and in this way the income from securities lending proves beneficial to all holders of participating units in the Satrix SWIX Top 40 Trust.