

<b>Fund</b>	<b>Income</b>	Investment Geographic	<b>International</b>
Size (net)	<b>\$3,063,117.00</b>	Minimum Investment	<b>\$5,000; \$200 Month</b>
Fund Manager	<b>Socrates Fund Management</b>	Management Fees	<b>0.50%</b>
Fund Administrator	<b>MMc</b>	Performance Fees	<b>NIL</b>
Portfolio Manager	<b>Charles Drace</b>	Entry Fees	<b>2%</b>
Fund Type	<b>P.I.E. Unit Trust</b>	Investments	<b>Monthly</b>
Investment Strategy	<b>Commodity Bias International</b>	Redemptions	<b>Monthly; notify by the 15th</b>

The Income Unit Trust had a good month with a return of 1.28%. Again this is excellent considering the worldwide market losses in August.

The Income fund continues to concentrate on income producing holdings. However, with few investment opportunities in any area other than bullion and shorts, our additions to the fund were the same as the Performance fund.

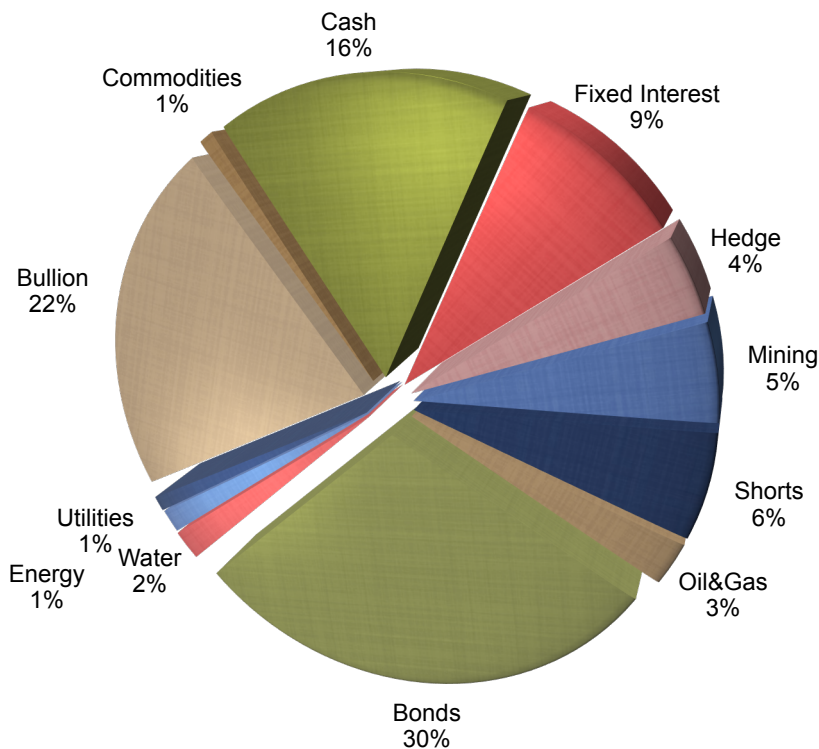
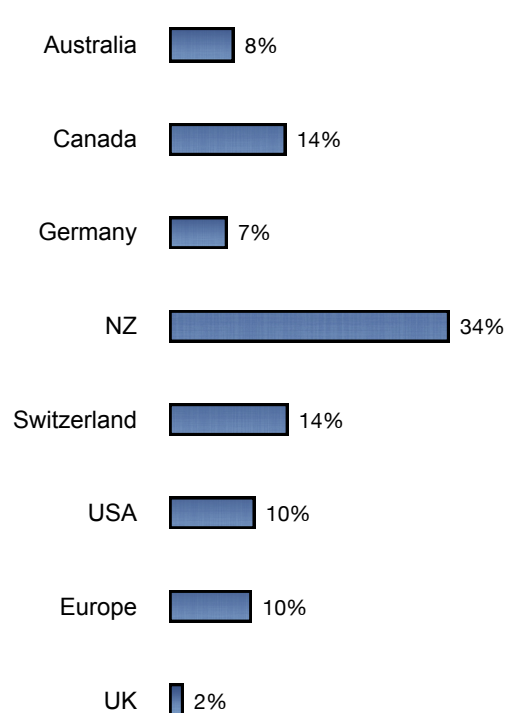
During the month we added: Gold warrants, short S&P and ASX warrants, short US treasuries [stopped out of half for a loss], short regional banks ETF, other shorts in the American markets, long double gold ETF, double long silver, and more gold and silver bullion.

**Performance to August 31st 2011**  
*After Fees and Taxes*

Month to Date	<b>1.28%</b>
12 Month Return	<b>-6.14%</b>
Since Inception (Annualised)	<b>-4.62%</b>

**Ten Largest Positions held in the fund**

Jyske Cash	NZ Post
Craigs Cash	ETFS Gold Trust Physical Swiss
Sprott Physical Gold Trust	iShares eb.rexxi Government Ge
Equitable Debentures	Prometheus
Aust Govt Bond 15/04/2012	Auckland City Council



Aug 2011	July 2011	June 2011	May 2011	Apr 2011	Mar 2011	Feb 2011	Jan 2011	Dec 2010	Nov 2010	Oct 2010	Sep 2010
\$0.7893	\$0.7501	\$0.7713	\$0.7824	\$0.8172	\$0.8152	\$0.8206	\$0.7875	\$0.8105	\$0.8269	\$0.8008	\$0.8103