

Fund	Income	Investment Geographic	International
Size (net)	\$3,300,099.85	Minimum Investment	\$5,000; \$200 Month
Fund Manager	Socrates Fund Management	Management Fees	0.50%
Fund Administrator	MMC	Performance Fees	NIL
Portfolio Manager	Charles Drace	Entry Fees	2%
Fund Type	P.I.E. Unit Trust	Investments	Monthly
Investment Strategy	Commodity Bias International	Redemptions	Monthly; notify by the 15th

Only our gold and silver bullion plus some NZ bond income helped the Income fund in April. Everything else, including our good income earning oil positions, got hurt by the rising NZ currency. Still, we managed a +.25% return for the month which, while not exciting, is still satisfying.

We took advantage of a drop in gold & silver prices in mid-month to add some more silver bullion plus two gold miners and one silver miner.

We also added an Oil ETF [Exchange Traded Fund which follows the price of oil]. We added a natural gas pipeline company and a natural gas storage company, both of which provide good income streams.

We reduced our short ETFs and bought some short options instead. Options limit our potential losses whereas ETF's don't.

We had closed our major hedge fund positions by the end of March as they were costing too much and not providing the protection we had hoped for. Instead, we have invested in the Man AHL Alpha fund which invests in the main Man hedge fund. Man Investments Australia are part of the Man Group of London which has been in operation since 1738. This is a much more conservative way of protecting our portfolios and doesn't have the potential big gain opportunities in a large market meltdown, but also doesn't have the potential for large losses which we suffered with our previous hedge fund protection programmes.

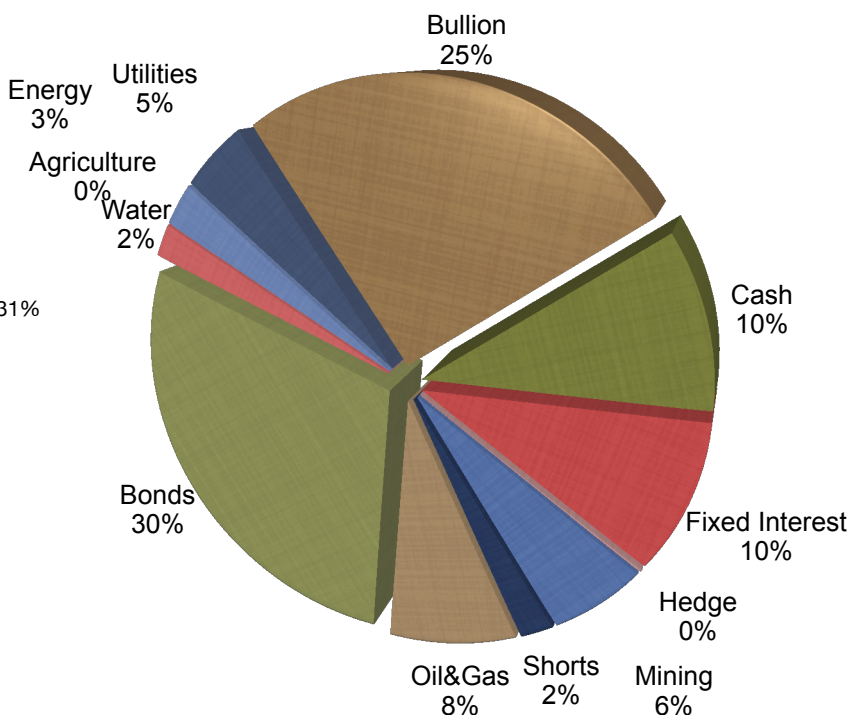
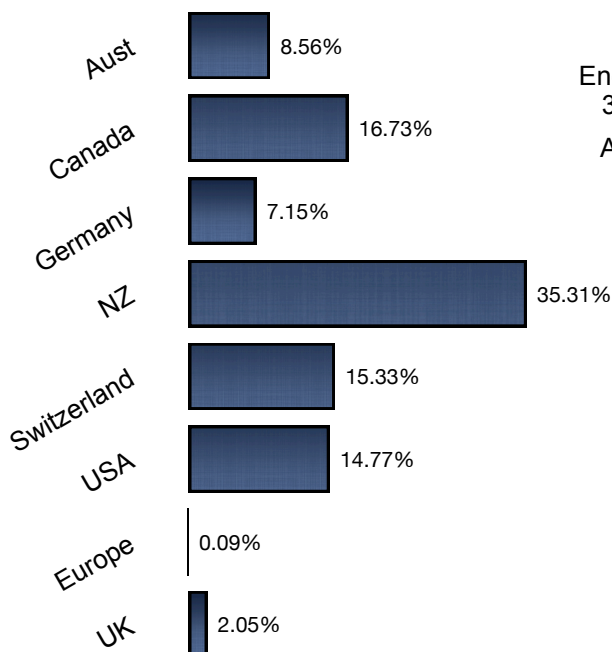
Performance to April 30th 2011

After Fees and Taxes

Month to Date	0.25%
Quarter to date	0.25%
Year to Date	0.25%
12 Month Return	-1.04%
3 Year Return	-20.28%
Since Inception (Annualised)	-3.45%

Ten Largest Positions held in the fund

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



Apr 2011	Mar 2011	Feb 2011	Jan 2011	Dec 2010	Nov 2010	Oct 2010	Sep 2010	Aug 2010	Jul 2010	Jun 2010	May 2010
\$0.8172	\$0.8152	\$0.8206	\$0.7875	\$0.8105	\$0.8269	\$0.8008	\$0.8103	\$0.8094	\$0.7974	\$0.8323	\$0.8455