

Fund	Gold and Metals	Investment Geographic	International
Size (net)	\$3,422,968.44	Minimum Investment	\$5,000; \$200 Month
Fund Manager	Socrates Fund Management	Management Fees	1.25%
Fund Administrator	MMc	Performance Fees	NIL
Portfolio Manager	Charles Drace	Entry Fees	2%
Fund Type	P.I.E. Unit Trust	Investments	Monthly
Investment Strategy	50/50 Bullion & Diversified Mining	Redemptions	Monthly; notify by the 15th

There were no investment options that held any appeal during December. The only thing we did was to take a small short position in gold between 14-19 December in the Gold & Metals fund. We did that to try to ameliorate the falling gold price. As it turned out the market was flat during that time so the position neither added nor subtracted from our portfolio.

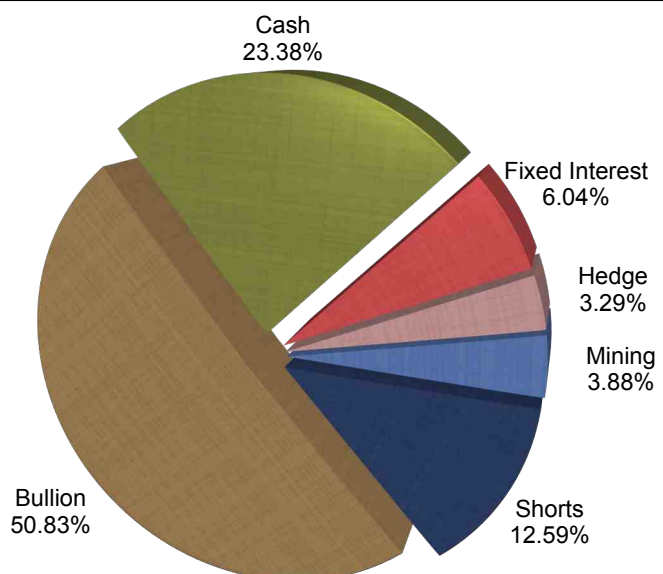
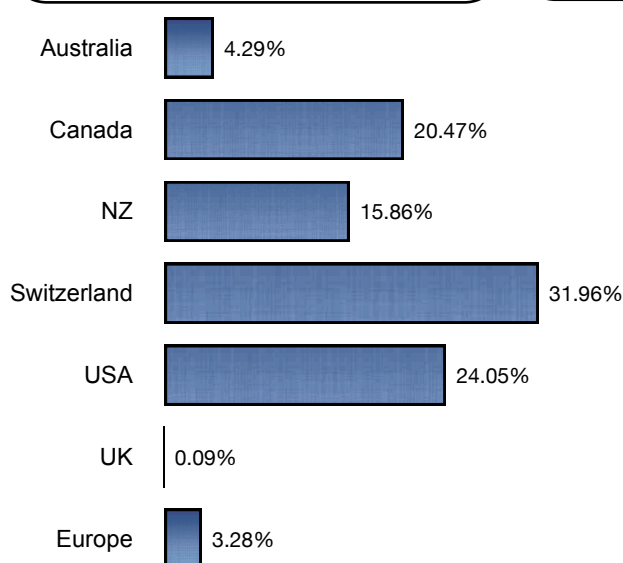
As I outlined above, gold fell 13.5% in New Zealand dollar terms and that led to our losses. Our view on gold is long term. Therefore we decided to sit on the sidelines and let the correction run its course knowing that gold was still on it's uptrend and would turn out to be the best investment of the decade - when the New Zealand dollar goes down again. Please refer to the chart in the commentary on page 2. Even if gold falls out of the channel shown on this chart for a while the long term trend is still in place and Socrates' funds are all positioned to make the most of it.

Performance to December 31st 2011
After Fees and Taxes

Month to Date	-8.25%
12 Month Return	-7.69%
Since Inception (Annualised)	-7.44%

Ten Largest Positions held in the fund

Sprott Physical Gold Trust	Central Fund of Canada Ltd
Global Resources Ltd	ZKB Gold ETF (USD) Units
ZKB Gold ETF Units	Equitable Debentures
Craigs Cash	ETFS Gold Trust Physical Swiss Gold
ZKB Silver ETF Units (CHF)	Proshares Short Financials ETF Units



Dec 2011	Nov 2011	Oct 2011	Sep 2011	Aug 2011	July 2011	June 2011	May 2011	Apr 2011	Mar 2011	Feb 2011	Jan 2011
\$0.6621	\$0.7216	\$0.6906	\$0.7284	\$0.7338	\$0.6978	\$0.7014	\$0.7270	\$0.7849	\$0.7679	\$0.7755	\$0.7285