

Fund	Gold and Metals	Investment Geographic	International
Size (net)	\$3,748,227.93	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

Gold went down 11% in US dollar terms for the month of September but only 2% in New Zealand dollar terms. You can see how the fall in the New Zealand dollar helped us avoid the losses that we would have had if we had been a US dollar based fund. Our Gold & Metals unit trust only went down .74%. We were pleased with that result.

We benefited from our short positions in the US markets and our large cash holdings which together reduced our losses from around 2% to only .74%. During the month we added a few shorts in the US markets and Europe and reduced our holdings in miners. Our view is that over the next year or so metals will continue down as the world's economies weaken and this should provide us with some great opportunities to buy miners at lower prices. We will continue to hold a lot of cash and very few miners until there are good signs of a recovery in miners.

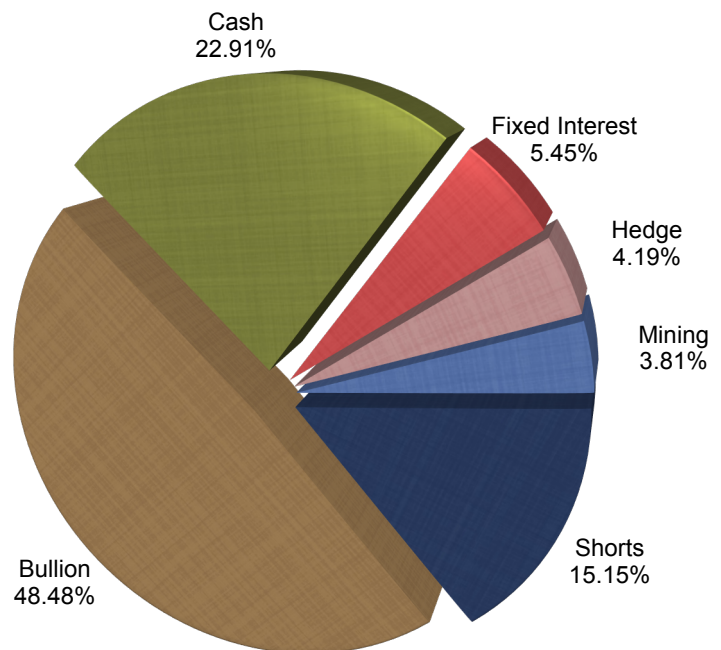
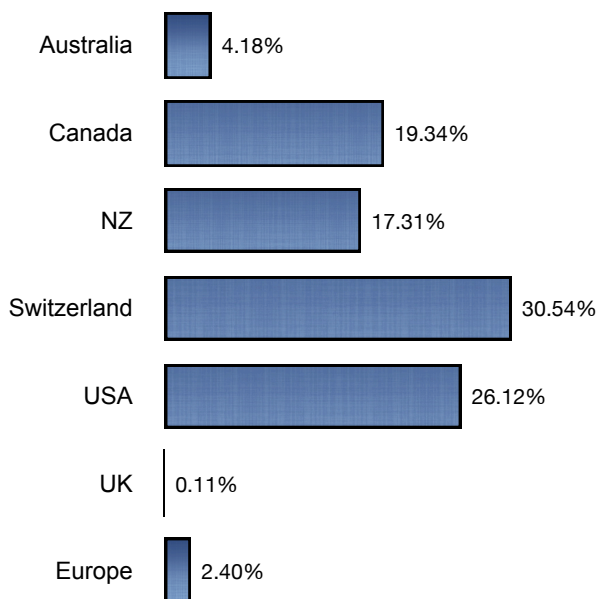
We haven't changed our gold holdings. Our view is that the run up in the price of gold during our winter was not sustainable and the correction down in September was necessary to bring the market back to reality. Even though the gold correction got a lot of press at the time, the current price is where it was in late July and early August so it really hasn't gone back much.

Performance to September 30th 2011
After Fees and Taxes

Month to Date	-0.74%
12 Month Return	-1.30%
Since Inception (Annualised)	-6.04%

Ten Largest Positions held in the fund

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



Sep 2011	Aug 2011	July 2011	June 2011	May 2011	Apr 2011	Mar 2011	Feb 2011	Jan 2011	Dec 2010	Nov 2010	Oct 2010
\$0.7284	\$0.7338	\$0.6978	\$0.7014	\$0.7270	\$0.7849	\$0.7679	\$0.7755	\$0.7285	\$0.7761	\$0.7817	\$0.7332