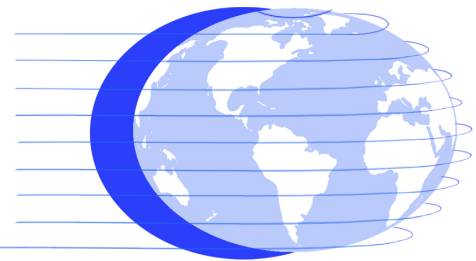


# SOCRATES

## FUND MANAGEMENT

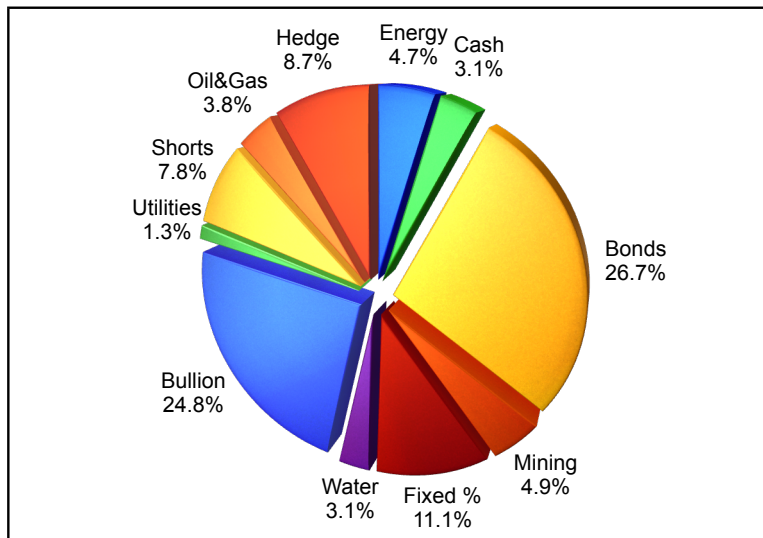
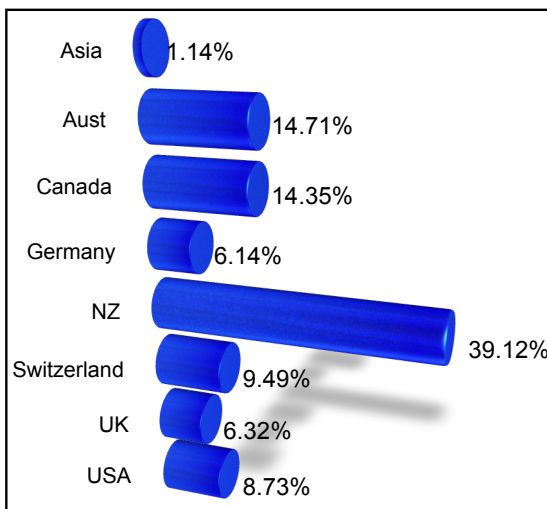


*Looking Back towards a Bright Future*

### 21st Century Renaissance Income Unit Trust

|                       |                              |
|-----------------------|------------------------------|
| <b>Fund</b>           | <b>Income</b>                |
| Size (net)            | \$3,452,635.25               |
| Fund Manager          | Socrates Fund Management     |
| Fund Administrator    | MMC                          |
| Portfolio Manager     | Charles Drace                |
| Fund Type             | P.I.E. Unit Trust            |
| Investment Strategy   | Commodity Bias International |
| Investment Geographic | International                |
| Minimum Investment    | \$5,000; \$200 Month         |
| Management Fees       | 0.50%                        |
| Performance Fees      | NIL                          |
| Entry Fees            | 2%                           |
| Investments           | Monthly                      |
| Redemptions           | Monthly; notify by the 15th  |

| Performance to July 31st 2010 After Fees and Taxes |                     |
|--|---------------------|
| Month to Date                                      | -4.19%              |
| Quarter to date                                    | -4.19%              |
| Year to Date                                       | -3.18%              |
| 12 Month Return                                    | -7.89%              |
| 3 Year Return                                      | -18.44%             |
| Since Inception                                    | -4.69% (Annualised) |



| Ten Largest Positions held in the fund |                                     |
|--|-------------------------------------|
| NZ Post                                | ETFS Gold Trust Physical Swiss Gold |
| ETFS Physical Silver                   | Equitable Debentures                |
| PureCapital                            | Sprott Physical Gold Trust          |
| Promethus                              | Aust Govt Bond 15/04/2012           |
| iShares eb.rexxi Government Ge         | Auckland City Council               |

| Monthly Unit Prices |          |
|---------------------|----------|
| July 2010           | \$0.7974 |
| June 2010           | \$0.8323 |
| May 2010            | \$0.8455 |
| April 2010          | \$0.8258 |
| March 2010          | \$0.8236 |
| February 2010       | \$0.8301 |
| January 2010        | \$0.8490 |
| December 2009       | \$0.8377 |
| November 2009       | \$0.8744 |
| October 2009        | \$0.8424 |
| September 2009      | \$0.8389 |
| August 2009         | \$0.8521 |

The Income fund went down by 4.19%, a quarter of which was a currency loss. Remember, we don't worry too much about currency losses, even though they look bad on short term returns, because we know those losses will come back as gains as soon as the currency changes cycle again.

We lost some from the fall in gold and silver, and a few mining companies, but also from the short positions we have in place to protect the fund from the next crash as well as to make money from said crash.

In line with oil going down and then back up for the month our oil positions did the same, so showing no real gain. The real negative effects of the BP disaster haven't been felt yet - the slow down of offshore drilling as concerns about the ecological effects of oil spills creates a more difficult environment to get licenses in and more cost to put in protective measure when drilling. It is for this reason that the US government and the oil industry are lying through their teeth about the long term environmental effects so as to forestall the public from clamoring for more safety measures or prohibitions on offshore drilling.

Our long term strategy remains in place; in fact, we're positioned more than ever for a major fall in markets in the not too distant future [see commentary on home page]. Unfortunately this strategy will produce very negative months like July from time to time, but leave us perfectly placed for the future.