

RENN Global Entrepreneurs Fund, Inc.
Form N-CSR
March 07, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT
OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES

Investment Company Act File Number 811-22299

RENN Global Entrepreneurs Fund, Inc.
(Exact name of Registrant as specified in charter)
8080 N. Central Expressway, Suite 210/LB 59
Dallas, Texas 75206
(Address of principal executive offices)
214-891-8294
(Registrant's telephone number, including area code)

Russell Cleveland
President and CEO
RENN Capital Group, Inc.
8080 N. Central Expressway, Suite 210/LB 59
Dallas, Texas 75206
(Name and address of agent for service of process)
214-891-8294
(Agent's telephone number, including area code)

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Date of fiscal year end: December 31,

December 31, 2010
(Date of reporting period)

Item 1. Annual Report to Shareholders

ANNUAL REPORT TO SHAREHOLDERS
OF
RENN GLOBAL ENTREPRENEURS FUND, INC.
December 31, 2010

Dear Shareholder,

2010 was one of the most interesting and, in many ways, one of the strangest periods. We did make progress on three strategies we outlined in last years' report. We believe this will contribute to good results in 2011 and beyond.

The first strategy was to recognize the worldwide growth of entrepreneurs (founder-owner-visionaries), especially in the world's fastest growth area, China. The second strategy was to work with legacy companies to create value. The last strategy was to have strong core holdings that would keep on growing and provide value to shareholders.

Of our twenty-six holdings, ten are now related to the long-term prospects of China. These companies have been growing rapidly and are selling at low valuations in relation to earnings. Most importantly, they are led by outstanding management teams who have major ownership positions and clear visions of their future.

During 2010, several US-traded Chinese companies reported financial reporting problems. While these companies were a small percent of all US-traded Chinese companies, the short sellers promoted the idea that all Chinese companies have problems. This strategy actually worked as the whole Chinese group went down. In my opinion, this has resulted in a great buying opportunity. While we admit there will be fraud in some Chinese companies just as in some US companies, it is a myth that all Chinese are committing fraud. We believe when the "dust settles" we could see major appreciation here.

We made good progress on our second strategy to realize value from long-term troubled legacy holdings. The most important event has been the announcement of the selling of the assets of Integrated Security Systems, Inc. (IZZI) for \$6 million in cash and notes. We now have a company with liquid assets, a large tax loss, and is a full reporting public company. One of the primary goals for management is to find an attractive, profitable, growing company that wishes to have a public vehicle. We are hoping to create significant value here. We are at the same time accelerating our efforts to find a merger partner for CMSF, Inc., which is a full reporting public company but with no assets.

The last strategy is to work with our core holdings. Access Plans, Inc. (APNC) has announced the hiring of an investment banker to study ways to increase shareholder value including going private or selling the company. The public market does not seem to reflect the true value of the company. Bovie Medical Corporation. (BVX) has announced several new products. The most important is, "J Plasma" which could revolutionize several surgical procedures. We expect a good recovery in this stock. A new core holding PHC, Inc. (PHC) relates to mental health treatment programs and has been reporting good financial results. We have a number of other core holdings which we believe will do well in 2011.

We have elected not to hold our Annual Investors Conference in May but are considering a later investor conference based on publicly traded "Founder-Owner-Visionary" companies. We will have our 2010 Annual Shareholders Meeting on Thursday, May 26, 2011 at the Doubletree Hotel, Campbell Center at 10:00 a.m. to conduct voting and discuss our portfolio.

In review, your Fund has distributed \$83.4 million in cash and deemed dividends in the past. We are optimistic about the next several years and appreciate the shareholders' support.

Sincerely,
Russell Cleveland
President and CEO

ANNUAL REPORT TO SHAREHOLDERS

FOR THE YEAR ENDED DECEMBER 31, 2010

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RENN Global Entrepreneurs Fund, Inc.

Allocation of
December 31,

Assets

2010

Industry	Percentage
Electronic Equipment and Instruments	16.0%
Communications Equipment	14.2%
Healthcare Equipment	11.2%
Healthcare Facilities	8.4%
Application Software	7.5%
Internet Software and Services	7.0%
Alternative Energy	5.2%
Data Processing and Outsourced Services	5.1%
Security Services	4.5%
Consumer Finance	4.3%
Drug Retail	3.4%
Managed Healthcare	3.2%
Advertising	2.5%
Consumer Electronics	2.1%
Packaged Foods and Meats	1.9%
Pharmaceuticals	1.9%
Oil and Gas Exploration and Production	1.7%
Biotechnology	1.1%
Hotels, Resorts and Cruise Lines	0.9%
Systems Software	0.3%
Cash and Accruals	-2.4%
	100.0%

Allocation of Assets by Country (% of Fund's Net Assets)

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RENN Global Entrepreneurs Fund, Inc.
 Schedule Of Investments
 December 31, 2010

SCHEDULE OF INVESTMENTS

Unaffiliated Investments

Shares or Principal Amount	Company	Cost	Market Value
	CONVERTIBLE BONDS – 12.89% (6)		
	Data Processing and Outsourced Services – 4.17%		
\$ 569,000	Pipeline Data, Inc. 14% Maturity June 29, 2011	\$ 569,000	\$ 520,282
	Electrical Components and Equipment – 5.11%		
1,000,000(1)	Dynamic Green Energy Limited 7% Maturity June 10, 2011	1,000,000	637,535
	Internet Software and Services – 2.00%		
500,000	iLinc Communications, Inc. 12% Maturity March 29, 2012	500,000	250,000
	Oil and Gas Exploration and Production 1.60%		
1,000,000	PetroHunter Energy Corporation 8.5% Maturity December 31, 2014	1,000,000	200,000
	Total Unaffiliated Convertible Bonds	\$ 3,069,000	\$ 1,607,817
	COMMON EQUITIES – 76.00% (3) (6)		
	Advertising - 2.49%		
100,000	SearchMedia Holdings Ltd (3) (5)	780,993	311,000
	Alternative Carriers - 0.07%		
462,449	Geos Communications, Inc. (3)	760,952	8,324
	Application Software - 4.78%		
228,647	SinoHub, Inc. (3) (5)	578,180	596,769
	Biotechnology - 1.07%		
1,335,714	Hemobiotech (3)	1,360,116	133,571
	Business Process Outsourcing - 0.64%		
18,349	Business Process Outsourcing, Ltd. (1) (3)	20,000	79,268
	Communications Equipment - 14.19%		
200,000	COGO Group, Inc. (3) (5)	836,019	1,770,000
	Consumer Electronics - 1.39%		
166,667	AuraSound, Inc. (3)	1,000,000	173,334
	Consumer Finance – 4.28%		
953,333	Global Axxess Corporation (3)	1,261,667	533,866

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Computer Programming Services – 2.73%			
100,000	Kingtone Wirelessinfo Solution Holding (3)	400,000	340,000

See accompanying notes to financial statements

RENN Global Entrepreneurs Fund, Inc.
 Schedule of Investments
 December 31, 2010

SCHEDULE OF INVESTMENTS
 Unaffiliated Investments (continued)

Shares or			Market
Principal			Value
Amount	Company	Cost	Value
COMMON EQUITIES (continued)			
Diversified Commercial and Professional Services – 4.49%			
2,687,500	Murdoch Security & Investigations, Inc. (1) (3)	\$ 1,250,000	\$