

# Butterfield Money Market Fund Limited

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FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
JUNE 30, 2009 AND 2008

# Butterfield Money Market Fund Limited

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## To the Shareholders:

### **RATING AGENCY**

The Money Market Fund continues to be assigned an AAAM rating from Standard & Poor's, which is the highest safety rating available. The AAAM rating definition is as follows: "Safety is excellent. Superior capacity to maintain principal value and limit exposure to loss".

### **USD CLASS**

#### **Review**

It was a challenging twelve months for financial markets and money market funds as stresses in funding and credit markets continued. During the third quarter of 2008, the Federal Reserve (Fed) kept overnight rates at 2% along with a robust effort to increase liquidity and help financial markets function. Ongoing downturns in housing and real consumer spending looked set to spread to the business sector, potentially resulting in a contraction in business fixed investment and an intensification of job losses going forward. During the fourth quarter of 2008, the Fed aggressively eased monetary policy and reduced overnight rates from 2% to 0.25%. The Fed created more than \$2 trillion of emergency lending programs, using the Fed's balance sheet and money-creation authority to cushion the economy from the credit crunch. During the first quarter of 2009, money market functioning improved as more borrowers were able to issue commercial paper (CP) and forego using the Fed's CP lending facility. At the same time, the Fed maintained an easy monetary policy with overnight rates ranging from 0% to 0.25%. In addition to more than \$2 trillion of emergency lending programs, the Fed pledged to finance a \$1 trillion consumer-loan program and to buy more than \$1 trillion of mortgage-debt and \$300 billion of Treasuries. During the second quarter of 2009, financial conditions improved significantly. This was reflected by 3 month CP rates falling from 1.19% to 0.6% while official interest rates remained unchanged. In addition, despite the extension of most of the Fed's liquidity programmes, usage continued to decline.

In this environment, our strategy was to protect the US\$ class by raising our investment in the highest quality names. With this objective, we increased the US\$ class exposure to sovereign, supra-national and government agencies to 39%. In order to maintain a high degree of liquidity, over 20% of the portfolio was maturing within 14 days while targeting 10% overnight. Also to improve liquidity, we reduced the floating rate note exposure from 21.5% to 4% as we decided that it was not the right time to invest in 1 or 2 year maturities. We continued to look for opportunities to lock in attractive long-term yields by purchasing 3 month high quality bank issues and 3-5 month sovereign issues. Over the twelve month period, in line with the Fed Funds rate falling from 2% to almost 0%, the A share yield declined from 2.09% to 0.05%.

### **Prospects**

The outlook for financial institutions is now more positive. Banks have focused on improving their capital ratios. However, the outlook for the economy remains weak as data continue to show an economy that is in deep recession with the unemployment rate at 9.5% and heading higher. We expect the Fed to maintain a very accommodative monetary policy for the rest of 2009 with overnight rates ranging from 0% to 0.25%. "Credit easing" may swell the Fed's balance sheet to nearly \$3 trillion by year-end. Policy stimulus will persist until credit conditions improve. When the economy eventually recovers, the Fed will need to have the fortitude to reverse or unwind some of these programs to contain future inflationary pressures.

# Butterfield Money Market Fund Limited

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## **CANADIAN DOLLAR CLASS**

### **Review**

Canada went into the second half of 2008 concerned about inflation due to rising energy costs, but this concern would soon disappear. Oil prices waned during the third quarter and core inflation remained below the targeted 2% level. Canada proved it could be a team player by cutting its official rates in October 2008 to show support of the other central banks. Most of the past year saw the Canadians quite proud of the stricter requirements on their banking system that resulted in all banks surviving the crisis without the need for a bailout. Other countries took notice of Canada's achievement, wanting to use their model as a foundation for future banking regulation. However, the downturn became a global phenomenon and Canada would not be exempt. Canada experienced its worst quarterly contraction since 1991 with an annualised decline of 5.4% in the first quarter of 2009. As exports to the US fell, manufacturing declined creating less work and the need to lay off workers. With increasing unemployment, consumer spending dropped and likewise retail sales. All of these factors contributed to the slowdown in growth for the Canadian economy and resulted in the Bank of Canada (BoC) cutting official rates from 3% all the way down to 0.25%.

During such a challenging year, there was a concerted effort to ensure the safety of principal placed in the Class. A complete review of approved securities guaranteed that investments were only made in the highest quality issues. In addition, reduced availability of top-rated bank names encouraged us to increase our holdings of sovereign, supranational, and government agencies to 31% of the portfolio. Issuers had already priced in rate cuts by the BoC, eliminating the benefits of extending maturities longer than a month. The short-term purchases amplified the high degree of liquidity previously established in the Class by our strategy. At least 20% of the portfolio was held in Canadian treasury bills and overnight deposits, while the remaining securities would mature within a month. This was the case for most of the year, but recent purchases of three month maturities have proved slightly advantageous.

### **Prospects**

Canada's economy is expected to deteriorate for the rest of 2009. As such, the BoC have stated their intention to leave rates unchanged until June 2010 provided the outlook does not change significantly. They continue to await solutions from other countries as they believe the causes of the current downturn did not originate within Canada's borders. Canada is supportive of further global initiatives to resolve the crisis, but do not intend to implement additional domestic measures to stimulate growth. Little improvement is expected in Canada until the American economy begins to recover. Canada's biggest trading partner is America and exports to the US contribute to the overall growth of the Canadian economy. Once conditions get better, Canada is well-poised to progress quickly. The BoC surmise that the outlook is promising for a recovery in 2010.

## **STERLING CLASS**

### **Review**

The Bank of England (BoE) held rates at 5% during the third quarter of 2008 claiming the upside risk to inflation and downside risks to growth were roughly balanced. Indeed, inflation at that time was more than double the desired limit and would remain above the 2% target until June 2009. Yet, the central bank realized that the UK was in for a tough year as the economy tumbled into a recession during the second half of 2008. The BoE was aggressive when cutting official rates in the fourth quarter of 2008. They participated in the coordinated 0.5% rate cut by central banks and followed that with an unexpected cut of 1.5% in November of 2008. The UK has shared many of the same issues as the US most notably the boom and bust of the housing market. Approvals of mortgage applications were at their lowest levels in a decade and house prices have fallen over the past year. The BoE would further cut rates to 0.5% during the first quarter of 2009 and stay on hold thereafter. In addition, the central bank decided to create £125 billion pounds of new money by purchasing UK gilts and corporate bonds. As the second quarter of 2009 rolled in, economic data appeared to indicate the worst had passed.

## Butterfield Money Market Fund Limited

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Credit quality has been an even more important objective this financial year and we remain extremely selective of securities approved for inclusion in the portfolio. All securities went through a thorough review and approval process to determine appropriateness. To further enhance the credit quality, we increased holdings of sovereign, supranational, and government agencies to 19%. The high quality of the portfolio also aided in accomplishing another goal to keep principal safe while in the Class. The review made us comfortable to extend into longer maturities when opportunities arose to lock in favourable yields. This strategy proved particularly advantageous during the fourth quarter of 2008 amid the sharp cuts in the official rate by the BoE. The Class remains highly liquid with UK Treasury bills and overnight deposits accounting for more than 20% of the portfolio. Our strategy continues to balance liquidity needs with better yields on longer maturities.

### **Prospects**

The BoE are pausing to ascertain if enough has been done to stimulate the economy. While willing to increase their purchase program, the BoE have decided to slow the pace of future purchases to provide the opportunity for the stimulus to take effect. Creating new money has the potential to lead to inflation, which the UK hopes to avoid by preparing an exit strategy in advance to implement when deemed appropriate. The central bank also chose to shift focus slightly by increasing acquisitions of corporate bonds as opposed to concentrating mainly on gilts going forward. The BoE are optimistic that the recent positive indications in the economic data suggest the UK economy will recover in the second half of 2009.

### **EURO CLASS**

#### **Review**

In July 2008, the European Central Bank (ECB) was focused on controlling inflation which is in line with their primary mandate to control price stability. Therefore, the ECB hiked official rates to 4.25% to tame inflation that had reached 4%. While the rate hike helped inflation drift back towards their goal of 2%, the outlook for the Eurozone nations was taking a turn for the worse. The ECB would be forced to shift its attention away from inflation concerns and towards the poor growth prospects. Still, the central bank would leave the official rate unchanged until October 2008 when the ECB agreed to participate in a coordinated rate cut, despite having a meeting only six days prior. This would be the first of many rate cuts as the Euro area slipped into its first recession since the Euro was created. As Europe started 2009, economic conditions only worsened. All Eurozone countries encountered little growth or even contraction, region-wide unemployment accelerated, and Europeans were fearful of losing their jobs. Markets felt the ECB was too slow to act and this reluctance exacerbated the severity of the current downturn for European countries. However, the ECB was determined to proceed cautiously to avoid short term solutions that would lead to undesirable consequences in the medium to long term.

In a year of falling official rates and a global downturn, the portfolio required a balancing act. While buyers of securities were concerned with short term liquidity, sellers wanted funds promised for longer periods and were willing to compensate buyers for extending maturities. Where opportunities arose, purchases were made in longer maturities to lock in those favourable yields ahead of the rate cuts by the ECB. However, the Class was kept highly liquid through a combination of European treasury bills and overnight deposits totalling at least 20% of the portfolio. As always, the safety of principal was of paramount concern and a thorough review was conducted on all securities. As a result, holdings were increased in sovereign, supranational, and government agencies to 23%.

## Butterfield Money Market Fund Limited

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### **Prospects**

As individual countries experience different issues, ECB members are forming opposing viewpoints on the way forward. While some members feel the current 1% official rate is sufficiently low, other members think the rate should be cut further. In July 2009, the ECB began a program of purchasing covered bonds that will last well into 2010. Some ECB members argue that €60 billion of purchases is adequate to stimulate the economy, but others believe this amount may need to be raised at a later date. Despite the differing opinions, the group does agree that helping the banking sector is a key determinant in improving the outlook, and the ECB lent unlimited cash to banks for up to one year. At present, the banks appear to be hoarding the cash to ensure short term funding and out of fears of increased credit losses. ECB President Trichet suggested that it may take some time, but banks will eventually fulfill their responsibility to increase lending to both consumers and companies as anticipated.

John Weale  
Chairman  
Butterfield Money Market Fund Limited

October 7, 2009

# Butterfield Money Market Fund Limited

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## AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the accompanying statements of net assets of Butterfield Money Market Fund Limited ("the Fund") as at June 30, 2009 and 2008, including the statements of portfolio investments, as at June 30, 2009 and the statements of operations and changes in net assets for the years then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Canada and Bermuda. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2009 and 2008, and the results of its operations and the changes in its net assets for the years then ended, in accordance with accounting principles generally accepted in Canada and Bermuda.

**Deloitte + Touche**

**DELOITTE & TOUCHE**

Chartered Accountants  
Hamilton, Bermuda

October 7, 2009

# Butterfield Money Market Fund Limited

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## **DIRECTORS**

John Weale  
Barry Hanson  
Curtis Dickinson  
Sheila Brown  
Dawn Griffiths (Appointed on November 19, 2008)  
Ian Coulman (Resigned on July 20, 2009)

## **INVESTMENT ADVISOR**

Butterfield Asset Management Limited  
P.O. Box HM 195  
Hamilton HM AX  
Bermuda

## **CUSTODIAN**

Butterfield Trust (Bermuda) Limited  
P.O. Box HM 195  
Hamilton HM AX  
Bermuda

## **REGISTRAR, TRANSFER AGENT AND ADMINISTRATOR**

Butterfield Fulcrum Group (Bermuda) Limited  
P.O. Box HM 195  
Hamilton HM AX  
Bermuda

## **AUDITORS**

Deloitte & Touche  
P.O. Box HM 1556  
Hamilton HM FX  
Bermuda

## **AUDIT COMMITTEE**

John Weale  
Barry Hanson

# Butterfield Money Market Fund Limited

## STATEMENTS OF NET ASSETS

As at June 30, 2009 and 2008

	US\$ CLASS	
	2009 US\$	2008 US\$
<b>ASSETS</b>		
Investments, at amortised cost	2,891,525,269	3,737,861,557
Due from broker	150,000,000	427,070,111
Receivable for defaulted securities	136,985,639	204,848,577
Cash and cash equivalents	-	352,252
Accrued interest receivable	130,343	15,841
Prepaid expenses	389,479	42,360
	<b>3,179,030,730</b>	4,370,190,698
Bank overdraft	7,087,592	-
Due to broker	49,932,278	129,381,469
Credit facility	-	-
Accrued expenses	1,118,179	1,792,684
	<b>58,138,049</b>	131,174,153
Organisational shares	3,120,892,681 12,000	4,239,016,545 12,000
<b>FUND NET ASSETS</b>	<b>3,120,880,681</b>	<b>4,239,004,545</b>
<b>NET ASSETS AVAILABLE TO CLASS A SHAREHOLDERS</b>	<b>1,788,205,174</b>	<b>2,200,028,492</b>
Number of common shares in issue Class A	73,162,468	91,102,394
<b>NET ASSET VALUE PER COMMON SHARE CLASS A</b>	<b>\$ 24.4416</b>	<b>\$ 24.1490</b>
<b>NET ASSETS AVAILABLE TO CLASS B SHAREHOLDERS</b>	<b>1,325,010,528</b>	<b>2,030,909,289</b>
Number of common shares in issue Class B	53,569,639	83,186,817
<b>NET ASSET VALUE PER COMMON SHARE CLASS B</b>	<b>\$ 24.7344</b>	<b>\$ 24.4138</b>
<b>NET ASSETS AVAILABLE TO CLASS D SHAREHOLDERS</b>	<b>7,664,979</b>	<b>8,066,764</b>
Number of common shares in issue Class D	322,518	342,680
<b>NET ASSET VALUE PER COMMON SHARE CLASS D</b>	<b>\$ 23.7661</b>	<b>\$ 23.5403</b>

The accompanying notes are an integral part of these financial statements



## Butterfield Money Market Fund Limited

CDN\$ CLASS		STERLING£ CLASS		EURO€CLASS	
2009	2008	2009	2008	2009	2008
CDN\$	CDN\$	GBP£	GBP£	EURO€	EURO€
<b>129,337,153</b>	140,970,722	<b>97,255,712</b>	122,466,983	<b>91,794,488</b>	171,709,563
<b>1,550,864</b>	11,227,235	<b>7,351,112</b>	12,887,877	<b>4,030,192</b>	6,000,000
-	-	-	-	-	-
<b>230,255</b>	28,573	-	40,205	<b>29,041</b>	37,718
<b>216,790</b>	5,993	<b>524,265</b>	4,017	<b>82,883</b>	923
<b>54,477</b>	8,687	<b>4,421</b>	4,435	<b>6,899</b>	8,370
<b>131,389,539</b>	152,241,210	<b>105,135,510</b>	135,403,517	<b>95,943,503</b>	177,756,574
-	-	<b>2,858</b>	-	-	-
-	10,026,927	<b>3,314,255</b>	2,955,159	<b>3,488,855</b>	-
-	-	-	-	-	7,700,000
<b>43,937</b>	153,112	<b>27,253</b>	70,661	<b>64,349</b>	161,788
<b>43,937</b>	10,180,039	<b>3,344,366</b>	3,025,820	<b>3,553,204</b>	7,861,788
<b>131,345,602</b>	142,061,171	<b>101,791,144</b>	132,377,697	<b>92,390,299</b>	169,894,786
-	-	-	-	-	-
<b>131,345,602</b>	142,061,171	<b>101,791,144</b>	132,377,697	<b>92,390,299</b>	169,894,786
<b>82,658,876</b>	99,784,525	<b>81,695,081</b>	107,315,644	<b>79,333,854</b>	143,981,259
<b>5,038,655</b>	6,171,015	<b>4,045,167</b>	5,471,937	<b>5,943,701</b>	11,072,215
<b>\$ 16.4049</b>	\$ 16.1699	<b>£ 20.1957</b>	£ 19.6120	<b>€ 13.3476</b>	€ 13.0038
<b>48,323,438</b>	40,896,414	<b>20,096,063</b>	25,062,053	<b>13,056,445</b>	25,913,527
<b>2,910,887</b>	2,501,812	<b>983,261</b>	1,263,996	<b>967,961</b>	1,973,901
<b>\$ 16.6009</b>	\$ 16.3467	<b>£ 20.4382</b>	£ 19.8276	<b>€ 13.4886</b>	€ 13.1281
<b>363,288</b>	1,380,232	-	-	-	-
<b>22,765</b>	87,529	-	-	-	-
<b>\$ 15.9582</b>	\$ 15.7689	-	-	-	-

Signed on Behalf of the Board

DIRECTOR

DIRECTOR

The accompanying notes are an integral part of these financial statements

# Butterfield Money Market Fund Limited

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## STATEMENTS OF OPERATIONS

For the years ended June 30, 2009 and 2008

	US\$ CLASS	
	2009	2008
	US\$	US\$
<b>INVESTMENT INCOME</b>		
Interest	75,644,286	189,972,680
<b>EXPENSES</b>		
Management fee	10,248,965	13,198,979
Commitment fee	8,273,471	2,986,386
Administration fee	4,261,466	4,259,632
Custodian fee	1,162,809	1,310,343
Accounting fee	322,882	248,716
Printing and miscellaneous expenses	94,723	13,322
Audit fee	78,600	59,406
Professional fee	50,100	30,184
Secretarial fee	42,726	61,627
Rating & investment fee	19,093	22,421
Government fee	18,988	22,105
Directors' fee	13,501	20,718
Advertising	7,139	5,269
	<b>24,594,463</b>	<b>22,239,108</b>
<b>NET INVESTMENT INCOME</b>	<b>51,049,823</b>	<b>167,733,572</b>

The accompanying notes are an integral part of these financial statements

## Butterfield Money Market Fund Limited

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<b>CDN\$ CLASS</b>		<b>STERLING£ CLASS</b>		<b>EURO€CLASS</b>	
<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
<b>CDN\$</b>	<b>CDN\$</b>	<b>GBP£</b>	<b>GBP£</b>	<b>EURO€</b>	<b>EURO€</b>
<b>2,679,362</b>	6,723,361	<b>4,386,481</b>	8,978,690	<b>4,966,346</b>	8,937,945
<b>371,186</b>	497,149	<b>354,312</b>	498,496	<b>431,754</b>	677,047
-	-	-	-	-	-
<b>175,914</b>	313,995	<b>143,813</b>	112,412	<b>124,604</b>	170,686
<b>36,073</b>	41,610	<b>35,124</b>	42,922	<b>37,578</b>	53,566
<b>55,510</b>	63,831	<b>35,508</b>	34,475	<b>30,955</b>	69,995
<b>24,022</b>	5,282	<b>5,735</b>	2,142	<b>13,553</b>	11,499
<b>5,961</b>	16,556	<b>4,060</b>	13,005	<b>6,861</b>	20,457
<b>2,029</b>	1,653	<b>638</b>	921	<b>1,745</b>	1,187
<b>1,140</b>	6,930	<b>2,006</b>	4,115	<b>6,654</b>	14,520
<b>12,646</b>	16,799	<b>6,822</b>	4,961	<b>8,898</b>	11,273
<b>1,860</b>	1,892	<b>280</b>	822	<b>320</b>	1,798
<b>1,036</b>	4,355	<b>2,285</b>	3,765	<b>6,592</b>	17,031
<b>5,718</b>	7,729	<b>3,350</b>	6,276	<b>11,613</b>	5,831
<b>693,095</b>	977,781	<b>593,933</b>	724,312	<b>681,127</b>	1,054,890
<b>1,986,267</b>	5,745,580	<b>3,792,548</b>	8,254,378	<b>4,285,219</b>	7,883,055

The accompanying notes are an integral part of these financial statements

# Butterfield Money Market Fund Limited

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## STATEMENTS OF CHANGES IN NET ASSETS For the years ended June 30, 2009 and 2008

	2009 US\$	US\$ CLASS 2008 US\$
<b>INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b>		
Net investment income	51,049,823	167,733,572
<b>CAPITAL STOCK TRANSACTIONS</b>		
Proceeds on the issue of shares	12,434,474,081	15,114,492,705
Payment on the redemption of shares	(13,603,647,768)	(15,240,550,704)
Net capital stock transactions	(1,169,173,687)	(126,057,999)
<b>NET (DECREASE) INCREASE IN NET ASSETS FOR THE YEAR</b>	<b>(1,118,123,864)</b>	41,675,573
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>4,239,004,545</b>	4,197,328,972
<b>NET ASSETS - END OF YEAR</b>	<b>3,120,880,681</b>	4,239,004,545

The accompanying notes are an integral part of these financial statements

## Butterfield Money Market Fund Limited

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CDN\$ CLASS		STERLING£ CLASS		EURO€CLASS	
2009	2008	2009	2008	2009	2008
CDN\$	CDN\$	GBP£	GBP£	EURO€	EURO€
<b>1,986,267</b>	5,745,580	<b>3,792,548</b>	8,254,378	<b>4,285,219</b>	7,883,055
<b>301,984,897</b>	422,517,447	<b>215,969,863</b>	287,855,519	<b>648,947,822</b>	1,160,566,685
<b>(314,686,733)</b>	(412,588,590)	<b>(250,348,964)</b>	(343,806,175)	<b>(730,737,528)</b>	(1,177,096,101)
<b>(12,701,836)</b>	9,928,857	<b>(34,379,101)</b>	(55,950,656)	<b>(81,789,706)</b>	(16,529,416)
<b>(10,715,569)</b>	15,674,437	<b>(30,586,553)</b>	(47,696,278)	<b>(77,504,487)</b>	(8,646,361)
<b>142,061,171</b>	126,386,734	<b>132,377,697</b>	180,073,975	<b>169,894,786</b>	178,541,147
<b>131,345,602</b>	142,061,171	<b>101,791,144</b>	132,377,697	<b>92,390,299</b>	169,894,786

The accompanying notes are an integral part of these financial statements

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS

For the years ended June 30, 2009 and 2008

### 1. ABOUT THE FUND

Butterfield Money Market Fund Limited (the "Fund") is an open-ended investment company which was incorporated under the laws of Bermuda on May 24, 1988.

The Fund commenced operations on July 11, 1988. Butterfield Trust (Bermuda) Limited acts as Custodian. Butterfield Asset Management Limited acts as Investment Advisor. Butterfield Fulcrum Group (Bermuda) Limited acts as Registrar and Transfer Agent and as Accountants for the Fund. Butterfield Trust (Bermuda) Limited and Butterfield Asset Management Limited are wholly owned subsidiaries of The Bank of N.T. Butterfield & Son Limited (the "Bank") and the Bank also holds a significant interest in Butterfield Fulcrum Group (Bermuda) Limited.

The investment objective of the Fund is to seek as high an overall rate of return as is consistent with maintaining liquidity and security of principal. To achieve this objective the Fund mainly invests in a portfolio of money market instruments. Such instruments are those of issuers whose credit is first class or guaranteed by a first class guarantor or which, in the opinion of the Investment Advisor, meet the high standard of credit worthiness and safety required by the Fund.

On November 23, 1994, the Board of Directors resolved to offer 100,000,000 shares of CDN \$0.10 par value each and 100,000,000 shares GBP £0.10 par value, pursuant to the terms of the Prospectus. These Classes of shares were available from December 1, 1994.

On January 29, 1999, the Board of Directors resolved to offer 100,000,000 shares of EURO €0.10 par value each, pursuant to the terms of the Prospectus. This Class of shares was available from February 8, 1999.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with accounting principles generally accepted in Canada and Bermuda. The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund.

#### a) Valuation of Investments

Investments in marketable securities are valued at amortised cost which approximates market value. All securities transactions are recorded on a trade date basis.

The requirements of the CICA Handbook Section 3855, Financial Instruments – Recognition and Measurement ("CICA 3855"), became effective for fiscal years beginning on or after October 1, 2006. CICA 3855 prescribes specific guidance for establishing fair values under GAAP, including the use of bid prices for long positions and ask prices for short positions for investments quoted in active markets. Where active markets do not exist, fair values are established using a fair valuation technique. Prior to the adoption of CICA 3855, fair values were based on last traded or closing prices or based on management's best estimate where market quotations were not reliable or available.

CICA 3855 also requires that transaction costs (such as brokerage commissions) incurred on portfolio transactions be recognized immediately in net income and presented as a separate expense item in the financial statements. Prior to the adoption of CICA 3855, transaction costs were included in the average cost of investments or as a reduction in the proceeds on the disposition of investments. Transaction costs were recognized immediately in net assets and results of operations, but were not presented as a separate line item.

Had the Fund used the bid prices for long positions, as prescribed by CICA 3855, the current value of investments, fund net assets and the net asset value per common share would have been unchanged (2008 - \$Nil).

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS

For the years ended June 30, 2009 and 2008

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### b) Interest Income

Interest income is accrued as earned. The discount or premium on the purchase of Euro-Commercial Paper and Euro-Notes, US Treasury Bills and Commercial Paper, Bonds, Floating Rate Notes and Fixed Income Securities is amortised based on the yield to maturity. The amortisation is included in interest income.

#### c) Investment Transactions and Income Recognition

Investment transactions are accounted for on the trade date. Gains or losses arising from the sale of investments are determined using the average cost basis. Income from investments is recorded on the accrual basis.

#### d) Cash and Cash Equivalents

Cash and cash equivalents consist of cash and short term deposits with an average maturity of less than three months.

#### e) Financial Assets and Liabilities

The estimated fair value of the Fund's financial instruments, including cash and cash equivalents, amount due from and to broker, receivable for defaulted securities, bank overdraft, credit facility and accrued expenses approximate their carrying value.

#### f) Adoption of New Accounting Standards

The Canadian Institute of Chartered Accountants ("CICA") issued CICA Handbook Section 1535, Capital Disclosures, effective for interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007. The main objective of the this new standard is to disclose information about a legal entity's capital and how it is managed. The adoption of this standard did not have an impact on the Fund's results.

The CICA issued CICA Handbook Section 3862, Financial Instruments - Disclosures, and Section 3863, Financial Instruments - Presentation effective for financial statements relating to fiscal years beginning on or after October 1, 2007. These standards provide comprehensive disclosure and presentation requirements for financial instruments and have been adopted by the fund for the current fiscal year.

### 3. RISK MANAGEMENT

The Funds' overall risk management approach includes formal guidelines to govern the extent of exposure to various types of risk. The Investment Advisor also has various internal controls to oversee the Funds' investment activities, including monitoring compliance with the investment objective and strategies, internal guidelines and securities regulations.

#### Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The value of such securities on the Statement of Portfolio Investments includes consideration of the creditworthiness of the issuer, and, accordingly represents the maximum credit risk exposure of the Fund.

#### Currency Risk

Currency risk is the risk that the value of an investment will fluctuate due to changes in foreign exchange rates. When the Fund enters into transactions which are denominated in currencies other than the Funds' reporting currency the Investment Advisor attempts to mitigate the associated currency risk in accordance with the above mentioned guidelines which may include the use of forward currency contracts.

#### Interest Rate Risk

Prices of fixed income securities generally increase when interest rates decline, and decrease when interest rates rise. This risk is known as interest rate risk.

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS

For the years ended June 30, 2009 and 2008

### 3. RISK MANAGEMENT (CONT'D)

#### Liquidity Risk

The Fund is exposed to liquidity risk by way of cash redemptions of redeemable units. The Fund retains sufficient cash and cash equivalents and has a credit facility available to maintain adequate liquidity to address this risk.

#### Other price/market risk

Other price/market risk is the risk that the value of investments will fluctuate as a result of market conditions. The Investment Advisor attempts to mitigate price/market risk by selecting appropriate portfolio investments based on the Fund's strategy.

### 4. SHARES ISSUED AND OUTSTANDING

The authorised capital stock is as follows:

200 million Class A shares of US \$0.10 par value  
100 million Class A shares of CDN \$0.10 par value  
100 million Class A shares of STERLING £0.10 par value  
100 million Class A shares of EURO €0.10 par value  
and;  
200 million Class B shares of US \$0.10 par value  
100 million Class B shares of CDN \$0.10 par value  
100 million Class B shares of STERLING £0.10 par value  
100 million Class B shares of EURO €0.10 par value  
and;  
200 million Class D shares of US \$0.10 par value  
100 million Class D shares of CDN \$0.10 par value  
100 million Class D shares of STERLING £0.10 par value  
100 million Class D shares of EURO €0.10 par value  
and;

120,000 organisational shares of US \$0.10 par value

Details of shares issued and outstanding during the year are as follows:

<b>US\$ CLASS CLASS A</b>	<b>2009</b>	<b>2008</b>
<b>Common Shares</b>		
Balance - beginning of year	<b>91,102,394</b>	79,745,917
Issue of common shares	<b>261,689,101</b>	279,644,393
Redemption of common shares	<b>(279,629,027)</b>	(268,287,916)
Balance - end of year	<b>73,162,468</b>	91,102,394
Organisational shares	<b>120,000</b>	120,000



# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS For the years ended June 30, 2009 and 2008

### 4. SHARES ISSUED AND OUTSTANDING (CONT'D)

<b>US\$ CLASS</b>		
<b>CLASS B</b>		
	<b>2009</b>	2008
<b>Common Shares</b>		
Balance - beginning of year	<b>83,186,817</b>	99,593,858
Issue of common shares	<b>243,759,389</b>	350,073,361
Redemption of common shares	<b>(273,376,567)</b>	(366,480,402)
<hr/>		
Balance - end of year	<b>53,569,639</b>	83,186,817
<hr/>		
<b>US\$ CLASS</b>		
<b>CLASS D</b>		
	<b>2009</b>	2008
<b>Common Shares</b>		
Balance - beginning of year	<b>342,680</b>	231,685
Issue of common shares	<b>2,651,554</b>	3,627,952
Redemption of common shares	<b>(2,671,716)</b>	(3,516,957)
<hr/>		
Balance - end of year	<b>322,518</b>	342,680
<hr/>		
<b>CDN\$ CLASS</b>		
<b>CLASS A</b>		
	<b>2009</b>	2008
<b>Common Shares</b>		
Balance - beginning of year	<b>6,171,015</b>	6,547,900
Issue of common shares	<b>10,254,980</b>	15,812,185
Redemption of common shares	<b>(11,387,340)</b>	(16,189,070)
<hr/>		
Balance - end of year	<b>5,038,655</b>	6,171,015
<hr/>		
<b>CDN\$ CLASS</b>		
<b>CLASS B</b>		
	<b>2009</b>	2008
<b>Common Shares</b>		
Balance - beginning of year	<b>2,501,812</b>	1,442,503
Issue of common shares	<b>8,144,853</b>	10,611,422
Redemption of common shares	<b>(7,735,778)</b>	(9,552,113)
<hr/>		
Balance - end of year	<b>2,910,887</b>	2,501,812
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# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS For the years ended June 30, 2009 and 2008

### 4. SHARES ISSUED AND OUTSTANDING (CONT'D)

<b>CDN\$ CLASS CLASS D</b>	<b>2009</b>	<b>2008</b>
<b>Common Shares</b>		
Balance - beginning of year	<b>87,529</b>	103,025
Issue of common shares	<b>10,731</b>	101,530
Redemption of common shares	<b>(75,495)</b>	(117,026)
Balance - end of year	<b>22,765</b>	87,529
<b>STERLING£ CLASS CLASS A</b>	<b>2009</b>	<b>2008</b>
<b>Common Shares</b>		
Balance - beginning of year	<b>5,471,937</b>	6,649,653
Issue of common shares	<b>5,659,153</b>	10,270,298
Redemption of common shares	<b>(7,085,923)</b>	(11,448,014)
Balance - end of year	<b>4,045,167</b>	5,471,937
<b>STERLING£ CLASS CLASS B</b>	<b>2009</b>	<b>2008</b>
<b>Common Shares</b>		
Balance - beginning of year	<b>1,263,996</b>	3,015,432
Issue of common shares	<b>5,109,825</b>	4,770,986
Redemption of common shares	<b>(5,390,560)</b>	(6,522,422)
Balance - end of year	<b>983,261</b>	1,263,996
<b>EURO€CLASS CLASS A</b>	<b>2009</b>	<b>2008</b>
<b>Common Shares</b>		
Balance - beginning of year	<b>11,072,215</b>	11,510,767
Issue of common shares	<b>45,074,444</b>	82,728,285
Redemption of common shares	<b>(50,202,958)</b>	(83,166,837)
Balance - end of year	<b>5,943,701</b>	11,072,215
<b>EURO€CLASS CLASS B</b>	<b>2009</b>	<b>2008</b>
<b>Common Shares</b>		
Balance - beginning of year	<b>1,973,901</b>	2,747,114
Issue of common shares	<b>4,115,227</b>	8,256,884
Redemption of common shares	<b>(5,121,167)</b>	(9,030,097)
Balance - end of year	<b>967,961</b>	1,973,901

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS

For the years ended June 30, 2009 and 2008

### 4. SHARES ISSUED AND OUTSTANDING (CONT'D)

In addition to the division into different classes of shares by reference to currency, the shares have been subdivided into Class A, Class B and Class D Shares. The initial minimum subscriptions for the Class A Shares are US \$10,000, CDN \$10,000, GBP £10,000, and EUR €10,000 respectively. The initial minimum subscriptions for the Class B Shares are US \$5,000,000, CDN \$5,000,000, GBP £5,000,000, and EUR €5,000,000 respectively, subject to the discretion of the Directors to vary such minimum from time to time. The initial minimum subscriptions for the Class D Shares are US \$10,000, CDN \$10,000, GBP £10,000, and EUR €10,000 respectively. There are differences in the management fees payable to the Investment Advisor in respect of each class as described in Note 4. Class D Shares are only available to third party distributors. Each class of shares carries the same rights, privileges, and conditions, including voting rights.

Shares are allotted to subscribers at a value determined by reference to the daily valuation of the net assets of the relevant class of shares. Shares may be redeemed for an amount equal to the net asset value on the day corresponding to the date of receipt of the properly completed request for redemption.

### 5. RELATED PARTY TRANSACTIONS

#### a) Management Fee

Under the terms of the Investment Advisory Agreement, the Investment Advisor is entitled to receive a monthly fee calculated in respect of each day at the rate of no more than 1% per annum of the total net asset value of the Fund at the end of the day determined by reference to the most recent valuations.

From July 1, 2008 to March 5, 2009, the Management Fee attributable to the Class A Shares was calculated daily as 1/365th of 0.35% of the net asset value of the Class A Shares, the Management Fee attributable to the Class B Shares was calculated daily as 1/365th of 0.25% of the net asset value of the Class B Shares and the Management Fee attributable to the Class D Shares was calculated daily as 1/365th of 0.60% of the net asset value of the Class D Shares. From March 6, 2009 onwards the rates used to calculate the daily Management Fee were amended to 0.20%, 0.10% and 0.45% for Class A, B and D Shares, respectively. All Management Fees are accrued daily and paid on the last valuation day of each month.

The fee of the Investment Advisor will be reduced to take account of the fee already levied on assets held in shares of other funds managed by the Investment Advisor. The Investment Advisor is also entitled to charge sales commission on the issue of shares. No commission was charged for the years ended June 30, 2009 and 2008.

#### b) Custodian Fee

Under the Custodian Agreement, the Custodian is entitled to receive a monthly fee calculated at the rate of 0.03% per annum of the net asset value of the Fund in accordance with the Custodian's published fee schedule.

#### c) Administration Fee

Administration fees are charged on a time spent basis at their normal rates.

#### d) Accounting Fee

Accounting fees are charged on a time spent basis at their normal rates.

#### e) Corporate Secretarial Fee

Corporate Secretarial fees are charged on a time spent basis at their normal rates.

#### f) Investment Transaction

During the years ended June 30, 2009 and 2008, there was no brokerage commission paid to Butterfield Asset Management Limited.

# Butterfield Money Market Fund Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the years ended June 30, 2009 and 2008

### 5. RELATED PARTY TRANSACTIONS (CONT'D)

#### g) Transactions with the Bank

The Fund entered into credit enhancement agreements (the "Agreements") with the Bank on October 31, 2007 and January 15, 2008, respectively, to obtain credit enhancement of \$50 million and \$51 million for the Fund's defaulted positions in Cheyne Finance LLC ("Cheyne"), and Stanfield Victoria Finance Ltd. ("Stanfield"), respectively.

Under these agreements, the Bank is committed to compensate the Fund, subject to a maximum of \$50 million for Cheyne positions with a total nominal value of \$100 million, and \$51 million for Stanfield positions with a total nominal value of \$170 million, should these holdings have a fair value less than their amortized costs and the Fund is required to draw down on the obligation in order to retain its credit rating. The Stanfield agreement was revised on July 15, 2008, January 15, 2009 and April 15, 2009. The January 15, 2009 agreement reduced the credit enhancement to \$50 million, and the April 15, 2009 agreement reduced the credit enhancement to \$43 million as a result of payments made to the Fund by Stanfield.

The Fund paid commitment fees for Cheyne positions to the Bank in the amount of \$208,333 per month from October 31, 2007 to April 15, 2008 and \$169,374 per month thereafter.

The Fund paid commitment fees for Stanfield positions to the Bank in the amount of \$255,000 per month from January 15, 2008 to July 14, 2008, \$750,000 per month from July 15, 2008 to April 15, 2009 and \$645,000 per month thereafter. The estimated value of the Stanfield positions at June 30, 2009 as reported by the trustee was \$59,164,350 and the amortized value was \$136,985,639. Between July 1, 2009 and September 8, 2009 \$5,085,708 in payments were made to the Fund by Stanfield. On September 9, 2009 the Bank purchased the defaulted Stanfield positions from the Fund for the \$131,899,931. The Fund recorded no gain or loss on this transaction.

Total commitment fees related to the Agreements during the year ended June 30, 2009 were \$8,273,471 (2008 - \$2,986,386).

As at June 30, 2008, the USD Class of the Fund held the following defaulted securities:

Maturity Dates	Estimated Value of Security as at June 30, 2008	Estimated Value of Bank Commitment as at June 30, 2008	Estimated Receivable as at June 30, 2008
<b>Cheyne Finance LLC Commercial Paper (CP)</b>			
November 13, 2007	\$ 31,387,682	\$ 9,269,937	\$ 40,657,619
<b>Cheyne Finance LLC Floating Rate Note (FRN)</b>			
January 7, 2008	\$ 32,493,672	\$ 9,596,577	\$ 42,090,249
<b>Stanfield Victoria Finance Ltd Floating Rate Note (FRN)</b>			
March 28, 2008			
April 28, 2008			
June 5, 2008	\$ 96,215,359	\$ 25,885,350	\$ 122,100,709
<b>Total</b>	<b>\$ 160,096,713</b>	<b>\$ 44,751,864</b>	<b>\$ 204,848,577</b>

On July 11, 2008, the Bank purchased the Cheyne positions from the Fund at its amortized value of \$82,772,501 in exchange for cash and other performing securities. The Fund recorded no gain or loss on this transaction.

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS

For the years ended June 30, 2009 and 2008

### 5. RELATED PARTY TRANSACTIONS (CONT'D)

#### g) Transactions with the Bank (cont'd)

During the year ended June 30, 2008, the Fund sold securities having nominal value of \$162,000,000 and €6,000,000 (amortized value \$161,992,539 and €5,980,696, respectively) for \$156,155,157 and €5,980,696, respectively, to the Bank. The Fund recorded a loss of \$5,837,382 on these transactions.

#### h) Credit Facility

On May 15, 2008, the Fund entered into a revolving standby credit facility with the Bank of US \$40 million for the USD Class, CAD \$15 million for the CAD Class, GBP £13 million for the GBP Class and EUR €20 million for the EUR Class, to a maximum of US \$40 million or 10% of each classes net asset value which expired on April 30, 2009. The facility is intended to assist the Fund in meeting short term liquidity. The facility was renewed on June 17, 2009 in amounts of US \$38.4 million for the USD Class, CAD \$14.5 million for the CAD Class, GBP £14 million for the GBP Class and EUR €15 million for the EUR Class, to a maximum of US\$40 million or 10% of each classes net asset value and expires March 31, 2010. The interest rate on the facility will be determined at the time the facility is utilized. As at June 30, 2009, the EUR Class has drawn EUR €Nil (2008 - EUR €7.7 million at an interest rate of 4.00%). Amounts borrowed by the Fund are secured against the assets of the Fund.

### 6. DUE FROM BROKER

Due from broker includes investments which are receivable on a daily basis and bear interest at prevailing market rates.

### 7. TAXATION

Under current Bermuda law the Fund is not required to pay any taxes in Bermuda on either income or capital gains. The Fund has received an undertaking from the Minister of Finance in Bermuda that in the event of any such taxes being imposed the Fund will be exempted from taxation until the year 2016.

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS For the years ended June 30, 2009 and 2008

### 8. FINANCIAL HIGHLIGHTS - 2009

#### US\$ CLASS

##### Per Share Information

	A	B	D
Net asset value - beginning of year	\$ 24.1490	\$ 24.4138	\$ 23.5403
Net investment income	0.2926	0.3206	0.2258
Net asset value - end of year	\$ 24.4416	\$ 24.7344	\$ 23.7661

##### Ratios / Supplemental Data

Total net assets - end of year (\$millions)	1,788	1,325	7
Average net assets (\$millions)*	2,156	1,640	8
Ratio of expenses to average net assets	0.46%	0.36%	0.71%
Average net yield**	1.30%	1.40%	1.05%

#### CDN\$ CLASS

##### Per Share Information

Net asset value - beginning of year	\$ 16.1699	\$ 16.3467	\$ 15.7689
Net investment income	0.2350	0.2542	0.1893
Net asset value - end of year	\$ 16.4049	\$ 16.6009	\$ 15.9582

##### Ratios / Supplemental Data

Total net assets - end of year (\$millions)	83	48	0.4
Average net assets (\$millions)*	89	46	0.7
Ratio of expenses to average net assets	0.54%	0.44%	0.79%
Average net yield**	1.34%	1.44%	1.09%

#### STERLING£ CLASS

##### Per Share Information

Net asset value - beginning of year	£ 19.6120	£ 19.8276
Net investment income	0.5837	0.6106
Net asset value - end of year	£ 20.1957	£ 20.4382

##### Ratios / Supplemental Data

Total net assets - end of year (£millions)	82	20
Average net assets (£millions)*	98	24
Ratio of expenses to average net assets	0.50%	0.40%
Average net yield**	2.74%	2.84%

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS

For the years ended June 30, 2009 and 2008

### 8. FINANCIAL HIGHLIGHTS - 2009 (CONT'D)

#### EURO€CLASS

##### Per Share Information

	A	B	D
Net asset value - beginning of year	€13.0038	€13.1281	
Net investment income	0.3438	0.3605	
Net asset value - end of year	€13.3476	€13.4886	

##### Ratios / Supplemental Data

Total net assets - end of year (€millions)	79	13	
Average net assets (€millions)*	117	21	
Ratio of expenses to average net assets	0.48%	0.38%	
Average net yield**	2.53%	2.63%	

#### 2008

#### US\$ CLASS

##### Per Share Information

	A	B	D
Net asset value - beginning of year	\$ 23.2465	\$ 23.4779	\$ 22.7175
Net investment income	0.9025	0.9359	0.8228
Net asset value - end of year	\$ 24.1490	\$ 24.4138	\$ 23.5403

##### Ratios / Supplemental Data

Total net assets - end of year (\$millions)	2,200	2,031	8
Average net assets (\$millions)*	2,158	2,169	10
Ratio of expenses to average net assets	0.49%	0.39%	0.74%
Average net yield**	3.67%	3.77%	3.41%

#### CDN\$ CLASS

##### Per Share Information

	A	B	D
Net asset value - beginning of year	\$ 15.5928	\$ 15.7475	\$ 15.2444
Net investment income	0.5771	0.5992	0.5245
Net asset value - end of year	\$ 16.1699	\$ 16.3467	\$ 15.7689

##### Ratios / Supplemental Data

Total net assets - end of year (\$millions)	100	41	1
Average net assets (\$millions)*	100	54	2
Ratio of expenses to average net assets	0.66%	0.56%	0.91%
Average net yield**	3.58%	3.68%	3.33%

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS

For the years ended June 30, 2009 and 2008

### 8. FINANCIAL HIGHLIGHTS - 2008 (CONT'D)

#### STERLING£ CLASS

##### Per Share Information

	A	B
Net asset value - beginning of year	£ 18.5736	£ 18.7589
Net investment income	1.0384	1.0687
Net asset value - end of year	£ 19.6120	£ 19.8276

##### Ratios / Supplemental Data

Total net assets - end of year (£millions)	107	25
Average net assets (£millions)*	121	30
Ratio of expenses to average net assets	0.50%	0.40%
Average net yield**	5.42%	5.52%

#### EURO€CLASS

##### Per Share Information

	A	B
Net asset value - beginning of year	€ 12.5017	€ 12.6085
Net investment income	0.5021	0.5196
Net asset value - end of year	€ 13.0038	€ 13.1281

##### Ratios / Supplemental Data

Total net assets - end of year (€millions)	144	26
Average net assets (€millions)*	177	27
Ratio of expenses to average net assets	0.54%	0.44%
Average net yield**	3.94%	4.05%

\* Average net assets has been calculated using the net assets on the last working day of each month for each class.

\*\* Average net yield is calculated using the annualised net income on the last working day of each month for each class.



## Butterfield Money Market Fund Limited

### STATEMENT OF PORTFOLIO INVESTMENTS - US\$ CLASS

As at June 30, 2009

(Expressed in US Dollars)

Nominal US\$	Issuer	S&P Rating	Yield %	Maturity Date d/m/y	Amortised Cost US\$	Percent of Net Assets %
<b>U.S. Treasury Bills, Commercial Paper &amp; BA's</b>						
50,000,000	Lloyds TSB Bank	A-1	1.12	01/07/09	49,998,444	1.60
50,000,000	DNB NOR Bank ASA	A-1+	0.70	06/07/09	49,994,166	1.60
25,000,000	Swedish Housing Finance	A-1	0.84	06/07/09	24,996,500	0.80
25,000,000	Swedish Housing Finance	A-1	0.81	13/07/09	24,992,687	0.80
50,000,000	Commerzbank US Finance	A-1	0.29	13/07/09	49,994,764	1.60
25,000,000	Swedish Housing Finance	A-1	1.09	29/07/09	24,978,049	0.80
25,000,000	Swedish Housing Finance	A-1	1.07	04/08/09	24,973,993	0.80
55,000,000	Westpac Banking Corp	A-1+	0.35	09/09/09	54,962,035	1.76
50,000,000	Swedish Housing Finance	A-1	0.63	17/09/09	49,931,424	1.60
50,000,000	Lloyds TSB Bank	A-1	0.53	01/10/09	49,932,278	1.60
					404,754,340	12.96
<b>Floating Rate Notes</b>						
25,000,000	Barclays Bank NY	A-1+	0.90	17/07/09	25,008,389	0.80
10,000,000	Barclays Bank NY	A-1+	1.28	10/08/09	9,997,785	0.32
90,000,000	PREMAT 04-10	A-1	5.33	15/09/09	90,001,440	2.89
					125,007,614	4.01
<b>Euro Commercial Paper</b>						
75,000,000	Skandinaviska Enskilda Bank	A-1	0.95	06/07/09	74,988,127	2.40
75,000,000	European Bank for Reconstruction & Development (EBRD)	A-1+	0.45	06/07/09	74,994,375	2.40
50,000,000	Nederlandse Waterschapsbank NV	A-1+	0.74	07/07/09	49,992,855	1.60
25,000,000	Western Australia Treasury	A-1+	0.30	08/07/09	24,998,333	0.80
26,000,000	Bank of Ireland	A-1+	1.26	08/07/09	25,992,722	0.84
75,000,000	Caisse D'Amortissement de la Dette Sociale (CADES)	A-1+	0.55	09/07/09	74,989,689	2.40
50,000,000	Royal Bank of Scotland	A-1	0.81	13/07/09	49,985,379	1.60
75,000,000	Nykredit Bank A/S	A-1	1.14	15/07/09	74,964,392	2.40
51,000,000	Caisse D'Amortissement de la Dette Sociale (CADES)	A-1+	0.43	16/07/09	50,990,255	1.64
39,000,000	Lloyds TSB Bank	A-1	1.03	17/07/09	38,981,132	1.25
63,000,000	UBS AG	A-1	1.17	17/07/09	62,965,212	2.02
85,000,000	Standard Chartered Bank	A-1	0.50	22/07/09	84,974,036	2.72
100,000,000	Rabobank Nederland	A-1+	0.60	22/07/09	99,963,347	3.21
36,000,000	Landwirtschaft Rentenbank	A-1+	0.29	24/07/09	35,993,041	1.16
75,000,000	Nordea Bank AB	A-1+	0.75	27/07/09	74,957,836	2.40
50,000,000	Kingdom of Netherlands	A-1+	0.30	27/07/09	49,988,753	1.60

# Butterfield Money Market Fund Limited

## STATEMENT OF PORTFOLIO INVESTMENTS - US\$ CLASS

As at June 30, 2009

(Expressed in US Dollars)

Nominal US\$	Issuer	S&P Rating	Yield %	Maturity Date d/m/y	Amortised Cost US\$	Percent of Net Assets %
<b>Euro Commercial Paper (cont'd)</b>						
30,000,000	Western Australia Treasury	A-1+	0.30	29/07/09	29,992,752	0.96
44,000,000	Housing Finance Agency	A-1+	0.83	05/08/09	43,963,510	1.41
100,000,000	Swedbank Mortgage AB (Govt Gtd)	A-1+	0.55	05/08/09	99,945,030	3.20
47,000,000	Nederlandse Waterschapsbank NV	A-1+	0.52	06/08/09	46,974,895	1.51
27,500,000	Allied Irish Banks	A-1+	1.36	06/08/09	27,461,615	0.88
20,000,000	Societe Generale	A-1	0.32	10/08/09	19,992,714	0.64
87,800,000	NRW Bank	A-1+	0.50	11/08/09	87,748,813	2.81
30,000,000	Calyon	A-1+	0.49	14/08/09	29,981,636	0.96
60,000,000	Western Australia Treasury	A-1+	0.35	14/08/09	59,973,761	1.92
50,000,000	Province of Quebec	A-1+	0.40	19/08/09	49,972,238	1.60
88,500,000	KBC Bank NV	A-1	0.63	24/08/09	88,414,901	2.83
35,000,000	Western Australia Treasury	A-1+	0.35	01/09/09	34,978,576	1.12
50,000,000	Caisse Des Depots et Consignations	A-1+	0.38	03/09/09	49,965,718	1.60
49,000,000	Province of Quebec	A-1+	0.45	08/09/09	48,957,162	1.57
75,000,000	National Australia Bank	A-1+	0.40	09/09/09	74,940,880	2.40
30,000,000	Oesterreichische Kontrollbank	A-1+	0.29	15/09/09	29,981,403	0.96
100,000,000	Danske Bank A/S	A-1	0.40	15/09/09	99,914,518	3.20
40,800,000	Lloyds TSB Bank	A-1	0.56	17/09/09	40,749,923	1.31
50,000,000	Caisse Des Depots et Consignations	A-1+	0.38	18/09/09	49,957,813	1.60
25,000,000	DNB NOR Bank ASA	A-1+	0.49	21/09/09	24,971,789	0.80
65,000,000	UBS AG	A-1	0.69	22/09/09	64,895,518	2.08
75,000,000	KFW	A-1+	0.41	22/09/09	74,928,319	2.40
40,000,000	KFW	A-1+	0.40	25/09/09	39,961,853	1.28
75,000,000	Royal Bank of Scotland	A-1	0.62	29/09/09	74,882,642	2.40
75,000,000	DNB NOR Bank ASA	A-1+	0.38	09/10/09	74,920,127	2.40
43,700,000	Rabobank Nederland	A-1+	0.47	25/11/09	43,615,725	1.40
					2,361,763,315	75.68
<b>Total Investments</b>					<b>2,891,525,269</b>	<b>92.65</b>
Bank overdraft					(7,087,592)	(0.23)
Other assets less liabilities					236,443,004	7.58
<b>Fund Net Assets</b>					<b>3,120,880,681</b>	<b>100.00</b>

# Butterfield Money Market Fund Limited

## STATEMENT OF PORTFOLIO INVESTMENTS - CDN\$ CLASS

As at June 30, 2009

(Expressed in Canadian Dollars)

Nominal CDN\$	Issuer	S&P Rating	Yield %	Maturity Date d/m/y	Amortised Cost CDN\$	Percent of Net Assets %
<b>Canadian Treasury Bills, Commercial Paper &amp; BA's</b>						
1,000,000	CIBC	A-1	0.26	02/07/09	999,986	0.76
2,750,000	National Bank of Canada	A-1	0.24	02/07/09	2,749,963	2.09
9,000,000	CIBC	A-1	0.25	09/07/09	8,999,441	6.85
5,000,000	Bank of Montreal	A-1	0.23	13/07/09	4,999,581	3.81
7,000,000	Canada Treasury Bill	A-1+	0.15	23/07/09	6,999,310	5.33
11,000,000	Bank of Nova Scotia	A-1+	0.24	23/07/09	10,998,313	8.37
16,000,000	Canada Treasury Bill	A-1+	0.30	12/11/09	15,982,252	12.17
					51,728,846	39.38
<b>Bonds and Euro - Notes</b>						
6,606,000	Royal Bank of Scotland	A-1	1.76	24/09/09	6,643,350	5.06
					6,643,350	5.06
<b>Euro Commercial Paper</b>						
10,000,000	UBS AG	A-1	0.81	02/07/09	9,999,556	7.61
9,000,000	Nykredit Bank A/S	A-1	0.71	16/07/09	8,997,201	6.85
9,000,000	Clydesdale Bank	A-1+	0.86	20/07/09	8,995,752	6.85
11,000,000	Allied Irish Banks	A-1+	0.90	24/07/09	10,993,477	8.37
2,000,000	Royal Bank of Scotland	A-1	0.76	27/07/09	1,998,876	1.52
10,000,000	Bank of Ireland	A-1+	0.41	17/08/09	9,994,669	7.61
11,000,000	Fannie Mae	A-1+	0.25	28/08/09	10,995,495	8.38
9,000,000	Lloyds TSB Bank	A-1	0.49	22/09/09	8,989,931	6.84
					70,964,957	54.03
<b>Total Investments</b>					<b>129,337,153</b>	<b>98.47</b>
Cash and cash equivalents					230,255	0.18
Other assets less liabilities					1,778,194	1.35
<b>Fund Net Assets</b>					<b>131,345,602</b>	<b>100.00</b>

# Butterfield Money Market Fund Limited

## STATEMENT OF PORTFOLIO INVESTMENTS - STERLING£ CLASS

As at June 30, 2009

(Expressed in Pounds Sterling)

Nominal GBP£	Issuer	S&P Rating	Yield %	Maturity Date d/m/y	Amortised Cost GBP£	Percent of Net Assets %
<b>Bonds and Euro - Notes</b>						
2,000,000	KFW	A-1+	0.75	15/09/09	2,019,853	1.98
3,956,000	Rabobank Nederland	A-1+	1.41	30/09/09	3,989,197	3.92
					6,009,050	5.90
<b>Euro Commercial Paper</b>						
4,500,000	UBS AG	A-1	1.07	07/07/09	4,499,077	4.42
4,500,000	Standard Chartered Bank	A-1	0.73	08/07/09	4,499,280	4.42
4,500,000	Svenska Handelsbanken	A-1+	0.60	13/07/09	4,499,039	4.42
5,000,000	Nykredit Bank A/S	A-1	1.14	14/07/09	4,997,815	4.91
4,000,000	Clydesdale Bank	A-1+	1.35	20/07/09	3,997,043	3.93
4,500,000	NRW Bank	A-1+	0.53	11/08/09	4,497,257	4.41
4,000,000	Westpac Banking Corp	A-1+	0.52	11/08/09	3,997,608	3.93
4,000,000	Bank of Ireland	A-1+	1.40	14/08/09	3,993,108	3.92
4,000,000	KBC Bank NV	A-1	0.93	24/08/09	3,994,402	3.92
4,000,000	Allied Irish Banks	A-1+	1.38	27/08/09	3,991,248	3.92
4,000,000	Lloyds TSB Bank	A-1	1.18	15/09/09	3,990,067	3.92
4,000,000	Royal Bank of Scotland	A-1	1.10	24/09/09	3,989,660	3.92
					50,945,604	50.04
<b>Floating Rate Notes</b>						
4,000,000	Bank Of America NA	A-1	1.02	17/08/09	4,002,076	3.93
					4,002,076	3.93
<b>UK Treasury Bills and Commercial Paper</b>						
6,000,000	UK Treasury Bill	A-1+	0.41	20/07/09	5,998,652	5.89
3,315,000	UK Treasury Bill	A-1+	0.41	20/07/09	3,314,255	3.26
4,000,000	UK Treasury Bill	A-1+	0.40	27/07/09	3,998,818	3.93
8,000,000	UK Treasury Bill	A-1+	0.45	10/08/09	7,995,965	7.86
15,000,000	UK Treasury Bill	A-1+	0.44	17/08/09	14,991,292	14.73
					36,298,982	35.67
<b>Total Investments</b>					<b>97,255,712</b>	<b>95.54</b>
Bank overdraft					(2,858)	-
Other assets less liabilities					4,538,290	4.46
<b>Fund Net Assets</b>					<b>101,791,144</b>	<b>100.00</b>

# Butterfield Money Market Fund Limited

## STATEMENT OF PORTFOLIO INVESTMENTS - EURO€CLASS

As at June 30, 2009

(Expressed in Euro)

Nominal EURO€	Issuer	S&P Rating	Yield %	Maturity Date d/m/y	Amortised Cost EURO€	Percent of Net Assets %
<b>Bonds and Euro - Notes</b>						
3,845,000	Commonwealth Bank of Australia	A-1+	1.36	12/11/09	3,872,821	4.19
					3,872,821	4.19
<b>Euro-Commercial Paper</b>						
4,000,000	UBS AG	A-1	1.51	02/07/09	3,999,664	4.33
4,000,000	Housing Finance Agency	A-1+	0.93	06/07/09	3,999,380	4.33
4,000,000	Bank of Ireland	A-1+	1.47	07/07/09	3,998,857	4.33
4,000,000	Lloyds TSB Bank	A-1	1.37	08/07/09	3,998,783	4.33
4,000,000	Clydesdale Bank	A-1+	1.47	20/07/09	3,996,736	4.33
2,000,000	Nederlandse Waterschapsbank NV	A-1+	0.68	20/07/09	1,999,245	2.16
4,000,000	NRW Bank	A-1+	0.68	11/08/09	3,996,829	4.33
4,000,000	Societe Generale	A-1	0.78	17/08/09	3,995,844	4.32
3,500,000	KBC Bank NV	A-1	1.05	24/08/09	3,494,394	3.78
4,000,000	Credit Agricole SA	A-1+	0.95	01/09/09	3,993,361	4.32
4,000,000	Royal Bank of Scotland	A-1	1.20	15/09/09	3,989,760	4.32
4,000,000	Svenska Handelsbanken	A-1+	0.95	25/09/09	3,990,838	4.32
3,500,000	Allied Irish Banks	A-1+	1.25	30/09/09	3,488,855	3.78
					48,942,546	52.98
<b>Euro Treasury Bills and Commercial Paper</b>						
8,000,000	French Treasury Bill	A-1+	0.63	09/07/09	7,998,740	8.66
7,000,000	Belgium Treasury Bill	A-1+	0.72	16/07/09	6,997,754	7.57
8,000,000	Dutch Treasury Certificate	A-1+	0.74	17/07/09	7,997,215	8.66
7,000,000	Belgium Treasury Bill	A-1+	0.75	13/08/09	6,993,617	7.57
9,000,000	Dutch Treasury Certificate	A-1+	0.73	14/08/09	8,991,795	9.73
					38,979,121	42.19
<b>Total Investments</b>					<b>91,794,488</b>	<b>99.36</b>
Cash and cash equivalents					29,041	0.03
Other assets less liabilities					566,770	0.61
<b>Fund Net Assets</b>					<b>92,390,299</b>	<b>100.00</b>