

Butterfield Global Blue Chip Fund

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

Butterfield Global Blue Chip Fund

TO THE SHAREHOLDERS:

Performance Review

For the year 1st July 2008 to 30th June 2009, the returns based on the Net Asset Value were as follows:

Fund NAV Return -39.72%

The Fund's objective remains that of achieving long term capital growth while maintaining the necessary diversification, in terms of geography and sector, to reduce risk and maximise return.

2008 proved to be a truly apocalyptic year for equities globally, with markets seeing their sharpest declines since the Great Depression of the 1930s. The decline of -38.5% in the S&P 500 was of the same magnitude as that seen in 1937 and was only eclipsed by the precipitous fall of -47% in 1931. While markets had been fragile for much of 2008, the precursor for equity market capitulation was the collapse of US investment bank Lehman Brothers on September 15th. Following this event, the S&P 500 fell by 40% to a low of 752 points on November 20th. Interestingly, the market subsequently witnessed a year-end rally, closing out 2008 20% above this low.

2009 got off to a rough start for equities, with markets seeing further declines after the bear market rally at the end of 2008. The S&P 500 fell by 25%, closing at 676 points on the 9th of March. Against all expectations, world markets then staged the strongest rally in over seven decades. Most market participants were defensively positioned, and as such, the rally caught all but a few by surprise. Between the 9th of March and the 12th of June, the S&P 500 gained over 40%. The "green shoots of recovery" as coined by Federal Reserve Chairman Ben Bernanke, were the driving force behind this rally, but the question on most investors' minds is whether this is just a bear market rally, or have we actually seen the bottom. During the historic 1929-1932 bear market, the market rallied five times by more than 20%, and in each case it subsequently lost more, with an ultimate drop of over 82% ending in 1932. In our opinion, the economic data has not been sufficient to support such a dramatic recovery in the markets. Indications are that the bad news has slowed, but there is still bad news none-the-less. Growth in corporate profits is now needed to support the rally of the past few months, but this remains to be seen.

The best performing sectors over the past 12 months were Consumer Staples and Healthcare, as would be expected in a recessionary environment. Materials, Energy and Financials were the worst. We did however see a major sector rotation in the past three months which has been the most dramatic in twenty years. The rebound in the market came when 3 of the biggest banks said they were profitable in the first quarter. This led to a 37% gain in Financials during the quarter, and an 86% increase from the lows of the 9th of March.

At a regional level the markets have shown that there really was no place to hide. All regions of the world were down by between 23% and 35%, with Japan being the best performing and Europe the worst performing regions. Japan benefitted in dollar terms from a 10% strengthening of the Yen over the past twelve months.

We have seen a marked decline in the levels of volatility witnessed towards the end of 2008 and into 2009, but still well above historical averages, and once again increasing slightly more recently. As mentioned earlier, our expectation is for a pullback in the markets, and increased levels of volatility throughout the remainder of the year. The Fund was marginally behind the benchmark return over the most recent quarter, although still struggling to recover from the underperformance witnessed in the second half of 2008. We have had a very strong quarter on an absolute basis, but continue to maintain a fairly defensive stance in the Fund, with an allocation to cash and an overweight position in a few of the more defensive sectors, while still retaining our top down themes which we expect to outperform in the long-run.

On Behalf of the Investment Advisor

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Butterfield Global Blue Chip Fund

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of Butterfield Global Blue Chip Fund as at June 30, 2009 and 2008, and the statements of operations and changes in net assets for the years then ended (all expressed in United States Dollars). 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 Canadian generally accepted auditing standards. Those standards require that we plan and perform the 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 Canadian generally accepted accounting principles.



September 30, 2009

Butterfield Global Blue Chip Fund

Administrator, Registrar and Transfer Agent

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House, 68 Fort Street
P.O. Box 609, Grand Cayman KY1-1107, Cayman Islands
Phone: (345) 745-7600 Fax: (345) 745-7690

Sub-Administrator

Butterfield Fulcrum Group (Bermuda) Limited
65 Front Street, P.O. Box HM195,
Hamilton HM12, Bermuda
Phone: (441) 299-3882 Fax: (441) 295-6759

Investment Advisor

Butterfield Bank (Cayman) Limited
Butterfield House, 68 Fort Street
P.O. Box 705, Grand Cayman KY1-1107, Cayman Islands
Phone: (345) 949-7055 Fax: (345) 949-7004

Custodian and Banker

Butterfield Bank (Cayman) Limited
Butterfield House, 68 Fort Street
P.O. Box 705, Grand Cayman KY1-1107, Cayman Islands
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Sales Agent

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Butterfield House, 68 Fort Street
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Auditors

Deloitte
2nd Floor, One Capital Place
P.O. Box 1787, Grand Cayman KY1-1109, Cayman Islands
Phone: (345) 949-7500 Fax: (345) 949-8238

Legal Advisors and Listing Agent

Appleby
Clifton House, 75 Fort Street
P.O. Box 190, Grand Cayman KY1-1104, Cayman Islands
Phone: (345) 949-4900 Fax: (345) 949-4901

Butterfield Global Blue Chip Fund

STATEMENT OF ASSETS AND LIABILITIES

As at June 30, 2009 and 2008

(Expressed in United States Dollars)

	Notes	2009	2008
ASSETS			
Investments, at market value (Cost 2009 - \$11,300,636; 2008 - \$20,339,674)	2	\$ 9,712,621	\$ 20,760,780
Cash and cash equivalents		808,524	459,754
Dividend income receivable		4,553	7,767
Prepaid fees		3,293	771
Receivable for capital shares issued		820	820
		10,529,811	21,229,892
LIABILITIES			
Accrued expenses	3	28,611	19,214
FUND NET ASSETS		\$ 10,501,200	\$ 21,210,678
Number of redeemable shares in issue	4	1,377,601	1,678,381
NET ASSET VALUE PER REDEEMABLE SHARE IN ISSUE		\$ 7.62	\$ 12.64

On Behalf of the Board

Conor O'Dea
DIRECTOR

Erwin Dikau
DIRECTOR

The accompanying notes are an integral part of these financial statements

Butterfield Global Blue Chip Fund

STATEMENT OF OPERATIONS

For the years ended June 30, 2009 and 2008

(Expressed in United States Dollars)

	Notes	2009	2008
INCOME			
Net dividend income	\$	240,992	\$ 437,179
Foreign exchange (loss)/gain		(417,536)	532,284
Bank interest income		2,714	4,976
		(173,830)	974,439
EXPENSES			
Administration fees	3	188,418	339,174
Transfer agent fee	3	40,343	38,189
Custodian fees	3	31,403	56,529
Audit and legal fees		28,451	33,352
Miscellaneous		10,773	11,039
		299,388	478,283
NET INVESTMENT (LOSS)/INCOME		(473,218)	496,156
NET REALISED AND UNREALISED (LOSS)/GAIN ON INVESTMENTS			
Net realised (loss)/gain on investments		(5,739,646)	2,711,611
Net change in unrealised appreciation/ (depreciation) on investments		(2,009,121)	(3,934,821)
NET LOSS ON INVESTMENTS		(7,748,767)	(1,223,210)
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$	(8,221,985)	\$ (727,054)

The accompanying notes are an integral part of these financial statements

Butterfield Global Blue Chip Fund

STATEMENT OF CHANGES IN NET ASSETS
For the years ended June 30, 2009 and 2008
(Expressed in United States Dollars)

	Notes	2009	2008
NET DECREASE IN NET ASSETS			
From Operations			
Net investment (loss)/income		\$ (473,218)	\$ 496,156
Net realised (loss)/gain on investments		(5,739,646)	2,711,611
Net change in unrealised appreciation/ (depreciation) on investments		(2,009,121)	(3,934,821)
		(8,221,985)	(727,054)
From Capital Transactions			
Proceeds on the issue of shares	4	1,014,294	2,246,689
Payment on the redemption of shares	4	(3,501,787)	(3,850,750)
		(2,487,493)	(1,604,061)
NET DECREASE IN NET ASSETS FOR THE YEAR		(10,709,478)	(2,331,115)
NET ASSETS - BEGINNING OF YEAR		21,210,678	23,541,793
NET ASSETS - END OF YEAR		\$ 10,501,200	\$ 21,210,678

The accompanying notes are an integral part of these financial statements

Butterfield Global Blue Chip Fund

SCHEDULE OF INVESTMENTS

As at June 30, 2009

(Expressed in United States Dollars)

Investments	Nominal Holding / Shares	Cost \$	Market Value \$	% of Portfolio %
Equities - Bermuda:				
Accenture Ltd.	6,890	217,235	230,539	2.37%
		217,235	230,539	2.37%
Equities - Brazil:				
Vale Do Rio Doce	3,370	63,553	59,413	0.61%
		63,553	59,413	0.61%
Equities - Europe:				
Anheuser-Busch InBev NV	5,050	145,070	182,409	1.88%
Diageo PLC	3,110	177,651	178,048	1.83%
Nestle SA	5,570	232,845	209,865	2.16%
Reckitt Benckiser Group PLC	3,870	144,582	176,173	1.81%
Total SA - B	3,658	230,006	197,527	2.03%
Vivendi	5,920	223,706	141,518	1.46%
Xstrata PLC	120	1,360	1,298	0.01%
		1,155,220	1,086,838	11.18%
Equities - Israel				
Teva Pharmaceutical Industries Ltd.	6,700	247,220	330,578	3.40%
		247,220	330,578	3.40%

The accompanying notes are an integral part of these financial statements

Butterfield Global Blue Chip Fund

SCHEDULE OF INVESTMENTS (CONT'D)

As at June 30, 2009

(Expressed in United States Dollars)

Investments	Nominal Holding / Shares	Cost \$	Market Value \$	% of Portfolio %
Equities - United States:				
Adobe Systems Incorporated	5,180	206,085	146,594	1.51%
Amgen Inc.	3,786	215,934	200,431	2.06%
Archer-Daniels - Midland Company	6,490	227,759	173,737	1.79%
Biogen Idec Inc.	3,850	187,767	173,828	1.79%
BP PLC ADR	6,112	399,959	291,420	3.00%
Bucyrus International Inc.	3,290	125,871	93,962	0.97%
Caterpillar Inc.	2,550	160,303	84,252	0.87%
Check Point Software Technologies Ltd.	9,290	224,923	218,036	2.24%
Chevron Corp.	4,300	359,714	284,875	2.93%
Cisco Systems Inc.	11,600	245,184	216,340	2.23%
Clorox Corp.	1,130	63,847	63,088	0.65%
ConocoPhillips	6,960	594,278	292,738	3.01%
Exxon Mobil Corp.	4,141	239,910	289,497	2.98%
Fluor Corp.	1,740	104,400	89,245	0.92%
Foster Wheeler Ltd.	2,410	124,773	57,238	0.59%
General Dynamics Corp.	1,030	67,963	57,052	0.59%
iShares Emerging Markets	26,401	1,073,344	850,904	8.76%
iShares Global Telecommunications Sector	5,180	417,175	246,360	2.54%
iShares MSCI Japan	27,781	322,901	261,975	2.70%
iShares MSCI Pacific	8,310	265,995	263,178	2.71%
iShares S&P Global Telecommunications Sector	3,330	140,361	141,026	1.45%
Joy Global Inc.	2,470	143,787	88,228	0.91%
KBR, Inc.	3,200	73,718	59,008	0.61%
Kinetic Concepts, Inc.	9,010	263,408	245,522	2.53%
Market Vectors Gold Mining	5,440	207,442	205,714	2.12%
Mylan, Inc.	30,720	341,121	400,896	4.13%
Netapp, Inc.	11,640	287,673	229,541	2.36%
Netease.com Inc.	6,120	157,748	215,302	2.22%
Nokia Corp	15,040	362,837	219,283	2.26%
Oil Service HOLDRs Trust	1,920	302,577	187,546	1.93%
Petrochina Company Ltd.	1,800	132,363	198,864	2.05%
Proctor & Gamble Co.	4,010	217,108	204,911	2.11%
Rio Tinto PLC ADR	495	144,089	81,116	0.84%
Royal Dutch Shell PLC	3,840	257,155	192,729	1.98%
SPDR Trust, Series 1	6,540	493,094	601,353	6.19%
The Shaw Group Inc.	2,070	106,370	56,739	0.58%
Time Warner Inc.	4,266	145,104	107,460	1.11%
Wellpoint Inc.	4,230	213,368	215,265	2.22%
		9,617,408	8,005,253	82.44%
Total Investments		11,300,636	9,712,621	100.00%

The accompanying notes are an integral part of these financial statements

Butterfield Global Blue Chip Fund

SCHEDULE OF INVESTMENTS

As at June 30, 2008

(Expressed in United States Dollars)

Investments	Nominal Holding / Shares	Cost \$	Market Value \$	% of Portfolio %
Equities - Australia:				
Commonwealth Bank of Australia	3,630	185,181	139,780	0.67%
		185,181	139,780	0.67%
Equities - Bermuda:				
Accenture Ltd.	8,280	263,332	337,162	1.62%
		263,332	337,162	1.62%
Equities - Canada:				
Bank of Nova Scotia	6,190	299,030	282,807	1.36%
Denison Mines Corporation	37,940	296,665	330,930	1.59%
Inmet Mining Corporation	2,250	172,488	149,075	0.72%
Paladin Energy Limited	13,800	65,772	84,300	0.41%
Teck Cominco Ltd.	9,780	378,418	468,951	2.26%
The Toronto-Dominion Bank	2,150	137,991	133,881	0.64%
		1,350,364	1,449,944	6.98%
Equities - Europe:				
BASF SE	3,248	116,739	223,264	1.08%
BP plc	14,402	944,068	1,001,947	4.83%
Carlsberg A/S	1,620	164,368	156,577	0.75%
Deutsche Postbank AG	1,540	130,151	135,083	0.65%
Diageo plc.	2,310	150,927	170,640	0.82%
Fiat S.p.A.	12,590	282,884	206,528	0.99%
InBev NV	3,640	335,198	252,791	1.22%
ING Groep NV ADR	5,900	247,182	186,145	0.90%
Nestle SA	3,700	185,919	167,263	0.81%
Nokia	11,040	309,329	270,480	1.30%
Novartis AG - Bearer	1,080	55,271	59,495	0.29%
Reckitt Benckiser plc.	3,120	109,259	158,197	0.76%
Repsol YPF, S.A.	6,530	271,886	256,433	1.24%
Rio Tinto plc ADR	955	382,261	472,725	2.28%
Royal Dutch Shell PLC	6,230	426,148	509,053	2.45%
Rolls Royce Group plc. - B Shares	1,693,170	3,552	3,373	0.02%
Royal Bank of Scotland Group plc.	31,070	244,481	133,087	0.64%
Skandinaviska Enskilda Banken AB (SEB)	6,550	190,837	121,999	0.59%
Total SA - B	6,108	387,342	521,575	2.51%
Vivendi	5,230	216,229	198,581	0.96%
		5,154,031	5,205,236	25.09%

The accompanying notes are an integral part of these financial statements

Butterfield Global Blue Chip Fund

SCHEDULE OF INVESTMENTS (CONT'D)

As at June 30, 2008

(Expressed in United States Dollars)

Investments	Nominal Holding / Shares	Cost \$	Market Value \$	% of Portfolio %
Equities - Israel:				
Teva Pharmaceutical Industries Ltd.	4,870	165,100	223,046	1.07%
		165,100	223,046	1.07%
Equities - United States:				
Adobe Systems Incorporated	4,930	215,319	194,193	0.94%
Aflac Inc.	4,450	203,676	279,460	1.35%
Allianz SE Adr	7,950	165,465	138,728	0.67%
American International Group Inc.	16,134	883,439	426,906	2.06%
Amgen Inc.	2,586	157,822	121,956	0.59%
Archer-Daniels-Midland Company	4,260	183,979	143,775	0.69%
Biogen Idec Inc.	2,250	115,707	125,753	0.61%
Bucyrus International Inc.	4,810	206,773	351,226	1.69%
Bunge Limited	1,530	147,173	164,766	0.79%
Caterpillar Inc.	3,780	249,791	279,040	1.34%
Celgene Corp.	960	61,415	61,315	0.30%
Check Point Software Technologies Ltd.	12,640	313,701	299,189	1.44%
Chevron Corp.	10,640	908,669	1,054,743	5.08%
Cisco Systems Inc.	12,180	270,050	283,307	1.36%
ConocoPhillips	11,680	1,071,451	1,102,475	5.31%
Exxon Mobil Corp.	5,901	320,746	520,055	2.50%
FedEx Corp.	2,290	202,020	180,429	0.87%
Fluor Corp.	1,680	198,491	312,614	1.51%
Foster Wheeler Ltd.	2,780	162,974	203,357	0.98%
General Dynamics Corp.	2,260	152,659	190,292	0.92%
iShares MSCI Emerging Markets	7,348	953,528	997,271	4.80%
iShares MSCI Japan	163,191	1,898,808	2,034,992	9.80%
iShares S & P Global Telecommunications Sector	12,270	989,709	781,354	3.76%
Joy Global Inc.	4,090	237,137	310,145	1.49%
Kinetic Concepts, Inc.	3,470	145,681	138,488	0.67%
Microsoft Corp.	10,956	329,852	301,400	1.45%
Mylan, Inc.	4,410	49,971	53,229	0.26%
Netapp, Inc.	13,030	358,723	282,230	1.36%
Oil Service HOLDERS Trust	1,270	195,467	281,953	1.36%
PepsiCo Inc.	2,595	137,783	165,016	0.79%
Proctor & Gamble Co.	2,750	162,221	167,228	0.81%
State Street Corporation	3,130	206,739	200,289	0.96%
Stryker Corp.	1,770	117,447	111,298	0.54%
The Coca-Cola Company	1,530	92,500	79,529	0.38%
The Goldman Sachs Group Inc.	2,540	530,946	444,246	2.14%
The Shaw Group Inc.	3,540	202,962	218,737	1.05%
Time Warner Inc.	13,040	211,639	192,992	0.93%
Zimmer Holdings Inc.	3,110	209,233	211,636	1.02%
		13,221,666	13,405,612	64.57%
Total Investments:		20,339,674	20,760,780	100.00%

The accompanying notes are an integral part of these financial statements

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS

For the years ended June 30, 2009 and 2008

(Expressed in United States Dollars)

1. ORGANISATION AND OPERATIONS

Butterfield Global Blue Chip Fund (the "Fund") was incorporated as an open-ended multi-class exempted mutual fund company under the laws of the Cayman Islands on November 5, 1998 and was registered under the Mutual Funds Law of the Cayman Islands on November 5, 1998.

The Fund has received an undertaking from the Cayman Islands government exempting it from all local income, profits, and capital gains taxes until November 24, 2018. No such taxes are levied in the Cayman Islands at the present time.

The Fund commenced operations on December 3, 1998 and is administered by Butterfield Fulcrum Group (Cayman) Limited (formerly Butterfield Fund Services (Cayman) Limited), (the "Administrator"), a Cayman Islands licensed Mutual Fund Administrator.

On December 3, 1998, the Fund was listed on the Cayman Islands Stock Exchange.

The Fund's investment objective is to achieve long-term capital growth by investing in a global portfolio of international "blue chip" equities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reported period. Actual results could differ from these estimates.

The significant accounting policies are as follows:

a) Investments

Securities listed on a recognised exchange are valued at the last reported bid price on the day of valuation.

The computation of the cost of sales of securities is made on the basis of average cost. Purchases and sales of securities are accounted for on the transaction trade date, and the difference between the sale price and the cost of security is included in net realised gain/loss on investment in the statement of operations. The difference between the fair value and the cost of the securities is recorded as unrealised appreciation/ (depreciation) on investments.

b) Interest and dividend income

Interest income is accrued as earned and dividend income is recognised at ex-dividend date.

c) Foreign currency transactions

The functional currency of the Fund is US Dollars.

Foreign currency transactions are translated to US Dollars at the rates of exchange in effect on the transaction dates. Foreign currency denominated assets and liabilities of the Fund have been translated to US Dollars at the rates of exchange prevailing on each year end date. The resultant gain or loss on exchange is recorded in the statements of operations.

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS For the years ended June 30, 2009 and 2008 (Expressed in United States Dollars)

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

d) Fair value of financial instruments

The fair value of securities is considered to be the market value, which is based principally on quoted market prices. The carrying value of other financial instruments approximates their fair value principally because of the short-term maturities of these instruments.

e) Recent accounting pronouncements

In February 2008, the Canadian Institute of Chartered Accountants ("CICA") announced that International Financial Reporting Standards ("IFRS") will replace Canadian GAAP in 2011 for profit-oriented publicly accountable enterprises. The change will be effective for fiscal years commencing on or after January 1, 2011. The Fund is currently developing its changeover plan. The Fund has determined that there will be no impact to net asset value per unit from the changeover to IFRS. The impact of IFRS on accounting policies and implementation decisions will mainly be in the areas of additional note disclosures in the financial statements of the Fund.

f) Comparatives

Certain prior year disclosures have been amended to conform with the current year presentation.

3. RELATED PARTY TRANSACTIONS

The Administrator is compensated for performing certain financial, accounting, administration and other services in accordance with the Administration Services Agreement dated September 23, 2008. The Administrator is entitled to receive a fee which is calculated at the rate of 0.5% per annum of the net asset value of the entire Fund calculated and accrued weekly.

As of June 30, 2009, the Fund owed the Administrator \$1,007 (2008: \$3,488).

Butterfield Bank (Cayman) Limited (the "Sales Agent") is entitled to receive a sales commission of up to 4% of the subscription price for shares. No sales commission was charged in 2009 and 2008.

Butterfield Bank (Cayman) Limited (the "Custodian") acts as custodian for the Fund and is entitled to receive a fee, calculated at a rate of 0.25% per annum of the net asset value of the Fund, calculated and accrued weekly.

As of June 30, 2009, the Fund owed the Custodian \$504 (2008: \$872).

Butterfield Fulcrum Group (Bermuda) Limited (the "Sub-Administrator") is entitled to receive a fee for providing transfer agent or shareholder services including maintaining a branch register in Bermuda. The fee is based on time spent and is invoiced monthly by the Sub-Administrator to the Fund.

Butterfield Bank (Cayman) Limited (the "Investment Advisor") is entitled to receive a fee for providing investment advice to the Fund, calculated at a rate of 1.00% per annum of the net asset value of each Class of shares, calculated and accrued weekly.

As of June 30, 2009, the Fund owed the Investment Advisor \$2,015 (2008: \$1,744).

Employees of the Investment Advisor, its parent company and other affiliated companies, and their immediate family members may hold shares in the Fund. These shareholdings, if any, are not significant.

4. SHARE CAPITAL

The Fund may issue up to 5,000,000 Non-Voting Redeemable Shares, which are redeemable at the option of the shareholders. The authorised share capital of the Fund shall consist of \$50,100 divided into 100 Ordinary Shares having a nominal value of \$1.00 each and 5,000,000 Non-Voting Redeemable Shares having a nominal value of \$0.01.

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS For the years ended June 30, 2009 and 2008 (Expressed in United States Dollars)

4. SHARE CAPITAL (CONT'D)

The Investment Advisor is the holder of the Ordinary Shares and shall be entitled to receive notice of and attend and vote at any general meeting of the Fund.

Details of Redeemable Shares issued, redeemed and outstanding during the year are as follows:

	2009	2009
	No. of Shares	\$
Balance - beginning of year	1,678,381	29,931,439
Issue of common shares	111,738	1,014,294
Redemption of common shares	(412,518)	(3,501,787)
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Balance - end of year	1,377,601	27,443,946
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	2008	2008
	No. of Shares	\$
Balance - beginning of year	1,799,869	31,535,500
Issue of common shares	171,474	2,246,689
Redemption of common shares	(292,962)	(3,850,750)
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Balance - end of year	1,678,381	29,931,439
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Currently only the US Dollar class of shares, and no others, have been designated and issued.

5. DIRECTORS AND DIRECTORS' INTERESTS

The Directors during the period and at the date of this report were:

Conor O'Dea

Erwin Dikau

Ian Coulman (resigned July 15, 2009)

Sheree Ebanks (appointed December 23, 2008)

The Directors are not entitled to any remuneration for their services as directors.

At June 30, 2009 and 2008, the Directors each held between 0 and 5,000 shares in the Fund and were each affiliated with the Custodian and Investment Advisor.

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS
For the years ended June 30, 2009 and 2008
(Expressed in United States Dollars)

6. FINANCIAL HIGHLIGHTS

Per share operating performance
 (for a share outstanding throughout the year)

	2009	2008	2007	2006	2005
Net asset value, beginning of year	\$12.64	\$13.08	\$11.10	\$9.52	\$9.32
Income from investment operations					
Net investment income/(loss)	(0.31)	0.29	0.08	(0.03)	0.21
Net realised and unrealised gain/(loss) on investments	(4.71)	(0.73)	1.90	1.61	(0.01)
Total from investment operations	(5.02)	(0.44)	1.98	1.58	0.20
Net asset value, end of year	\$7.62	\$12.64	\$13.08	\$11.10	\$9.52
Total return	(39.72%)	(3.36%)	17.84%	16.60%	2.15%
Ratios/supplemental data					
Net assets, end of year	\$10,501,200	\$21,210,678	\$23,541,793	\$24,883,841	\$26,730,268
Ratio of expenses to weighted average net assets	2.33%	2.13%	2.10%	2.00%	1.90%
Ratio of investment income/(loss) to weighted average net assets	(61.75%)	(1.11%)	18.39%	16.79%	3.27%
Portfolio turnover	45.97%	78.94%	52.65%	58.75%	49.15%

An individual investor's return and ratios may vary from the above returns and ratios based on the timing of capital transactions.

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS **For the years ended June 30, 2009 and 2008** **(Expressed in United States Dollars)**

7. FINANCIAL RISK MANAGEMENT

The Fund maintains positions in a variety of non-derivative financial instruments as dictated by its investment management strategy. The Fund's investment portfolio is comprised of quoted equity instruments.

Asset allocation is determined by the Investment Advisor with reference to the target asset allocation set out in the Fund's prospectus. The Investment Advisor manages the distribution of the assets to achieve its investment objective. Divergence from target asset allocations and the composition of the portfolio is monitored by the Investment Advisor. In instances where the portfolio has diverged from target asset allocations, the Investment Advisor will rebalance the portfolio to fall in line with the target asset allocations.

The nature and extent of the financial instruments outstanding at the statements of assets and liabilities date and the risk management policies employed by the Fund are discussed below:

a) Market risk

Market risk embodies the potential for both loss and gains and includes currency risk, interest rate risk and other price risk.

Market risk is the risk that changes in interest rates, foreign exchange rates or equity and commodity prices will affect the positions held by the Fund, making them less valuable or more onerous. The Fund is exposed to market risk on financial instruments that are valued at market prices.

The Fund's strategy for the management of market risk is driven by the Fund's investment objective. The Fund's market risk is managed on a daily basis by the Investment Advisor in accordance with the policies and procedures in place. The Fund's Directors review performance of the Investment Advisor on a continuous basis.

CURRENCY RISK

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency. Consequently, each class of the Fund is exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of the portion of the Fund's assets or liabilities denominated in currencies other than US Dollars. The Fund's policy is not to enter into any currency hedging transactions. The Investment Advisor manages currency risk by monitoring exposure to different geographical regions.

At June 30, 2009, if the exchange rates of US Dollars against relevant foreign currencies had been 10% higher or lower with all overall variables held constant, the net assets would have decreased/ increased by \$494,675 (2008: \$1,131,971). 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in exchange rates.

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS
For the years ended June 30, 2009 and 2008
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7. FINANCIAL RISK MANAGEMENT (CONT'D)

CURRENCY RISK (CONT'D)

As at June 30, 2009, the Fund has the following currency exposure in US Dollar equivalents:

	2009 USD	2009 % of Net Assets	2008 USD	2008 % of Net Assets
AUD	177,382	1.7%	139,780	0.7%
BRL	122,379	1.2%	1,449,944	6.8%
CAD	209,865	2.0%	226,758	1.1%
CHF	-	-	156,577	0.7%
DKK	995,991	9.5%	3,327,632	15.7%
EUR	1,004,586	9.6%	2,047,014	9.7%
GBP	-	-	121,999	0.6%
HKD	183,645	1.7%	145,602	0.7%
ILS	548,614	5.2%	522,235	2.5%
KRW	514,828	4.9%	117,977	0.6%
SEK	344,326	3.3%	2,087,343	9.8%
TWD	106,023	1.0%	124,260	0.6%
YEN	89,770	0.9%	105,212	0.5%
ZAR	104,892	1.0%	88,458	0.4%
Other	544,449	5.2%	658,920	3.1%
Total	4,946,750	47.2%	11,319,711	53.5%

INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. All of the Fund's investments are highly liquid securities which are actively traded on various stock exchanges. As a result, the Fund is not subject to fair value interest rate risk due to possible fluctuations in the prevailing levels of market interest rates.

The Fund's exposure to cash flow interest rate risk is limited to its cash at bank (7.70% of the Fund's Net Asset Value at June 30, 2009 (2008: 2.17%)). The Fund does not have any other significant interest-bearing assets and liabilities.

OTHER PRICE RISK

Other price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate or currency risk), whether caused by factors specific to a particular instrument, its issuer or all factors affecting all instruments traded in the market. The Fund is exposed to equity price risk on its investments. As all of the Fund's financial instruments are carried at fair value with fair value changes recognised in the statement of operations, all changes in market conditions will directly affect the profit attributable to shareholders.

Other price risk is managed by the Investment Advisor by constructing a diversified portfolio of investments traded on various markets. All of the Fund's investments at June 30, 2009 and 2008 are listed on stock exchanges.

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS **For the years ended June 30, 2009 and 2008** **(Expressed in United States Dollars)**

7. FINANCIAL RISK MANAGEMENT (CONT'D)

OTHER PRICE RISK (CONT'D)

As at June 30, 2009, the fair value of the Fund's investments in securities that are exposed to changes in equity prices amounted to \$9,712,621 (2008: \$20,760,780). As at June 30, 2009, if equity prices had been 4% higher or lower with all variables held constant, the net assets would have been \$361,310 (2008: \$822,127) higher or lower. 4% is the sensitivity rate used when reporting other price risk internally to key management personnel and represents management's assessment of the possible change in market prices.

b) 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.

Financial instruments that potentially expose the Fund to credit and counterparty risk consist primarily of investments and cash and cash equivalents.

Credit risk arising on transactions with brokers includes transactions awaiting settlement. Risk related to unsettled transactions, including dividends and interest accrued, is considered to be low due to the short settlement period involved and the high credit quality of the brokers used. The Fund's maximum exposure to credit risk is limited to the value of its financial assets as reported in the statement of assets and liabilities. The Fund monitors the credit rating of its broker to mitigate this risk.

c) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Fund's financial liabilities at June 30, 2009 represent 0.27% of net assets (2008: 0.09%) that fall due not later than one month. The Fund does not anticipate any significant liquidity concerns in funding redemption requests and other liabilities. The Fund's constitution provides for the weekly subscription and redemption of shares and it is therefore exposed to the liquidity risk of meeting shareholders' redemptions. However, all of the Fund's investments at June 30, 2009 and 2008 are listed securities actively traded on major stock exchanges. As such, they are considered to be highly realisable, mitigating the liquidity risk of the Fund as at June 30, 2009 and 2008.

The Fund's liquidity risk is managed on a daily basis by the Investment Advisor in accordance with the policies and procedures in place.

CAPITAL RISK MANAGEMENT

The Fund's capital consists of the issued share capital.

The Investment Advisor manages the capital of the Fund in accordance with the Fund's investment objectives, policies and restrictions, as outlined in the Prospectus, while maintaining sufficient liquidity to meet shareholder redemptions. The Fund's overall strategy for managing capital remains unchanged from 2008. The Fund does not have any externally imposed capital requirements.

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS For the years ended June 30, 2009 and 2008 (Expressed in United States Dollars)

8. FAIR VALUE MEASUREMENTS

Effective July 1, 2008, the Fund adopted CICA Handbook Section 3862: *Financial Instruments-Disclosures*. Section 3862 establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Investments measured at fair value are classified in one of the following fair value hierarchy levels, based on the lowest level input that is significant to fair value measurement in its entirety:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table summarizes the levels within the fair value hierarchy in which the fair value measurements of the Fund's investments fall as of June 30, 2009:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments in securities, at fair value:				
Equities	\$9,712,621	-	-	\$9,712,621
	<u>\$9,712,621</u>	<u>-</u>	<u>-</u>	<u>\$9,712,621</u>