Butterfield Global Blue Chip Fund

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2011

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the shareholders of Butterfield Global Blue Chip Fund

Report on the Financial Statements

We have audited the accompanying financial statements of the Butterfield Global Chip Fund (the "Fund"), which comprise the statement of assets and liabilities, including the schedule of investments, as at June 30, 2011, and the statements of operations and changes in net assets for the year then ended (all expressed in United States dollars), and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Canada, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in Canada. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2011, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Canada.

Deloitte & Touche

November 8, 2011

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STATEMENT OF ASSETS AND LIABILITIES
As at June 30, 2011
(Expressed in United States Dollars)

	Note		2011		2010
ASSETS					
Investments, at market value	2,3,4				
(Cost : 2011 - $8,521,318; 2010 - $9,408,307)		$	9,749,506	$	9,027,262
Cash and cash equivalents			538,229		449,269
Dividend income receivable			1,826		7,861
Prepaid fees			4,368		3,668
			10,293,929		9,488,060
LIABILITIES					
Accrued expenses	6		73,662		53,941
Redemptions payable			1,020		24,117
			74,682		78,058
FUND NET ASSETS		$	10,219,247	$	9,410,002
Number of common shares in issue	5		971,896		1,142,936
NET ASSET VALUE PER COMMON SHARE		$	10.51	$	8.23

On behalf of the Board

Michael McWatt
DIRECTOR

Erwin Dikau
DIRECTOR

The accompanying notes form an integral part of these financial statements

STATEMENT OF OPERATIONS
For the year ended June 30, 2011
(Expressed in United States Dollars)

	Note		2011		2010
INCOME					
Net dividend income		**$**	**179,494**	$	184,341
Foreign exchange gain			**57,727**		3,615
Bank interest			**1,615**		530
			238,836		188,486
EXPENSES					
Management fees	6		**101,859**		109,905
Administration fees	6		**70,160**		58,202
Audit and legal fees			**28,402**		39,313
Custodian fees	6		**25,465**		27,476
Transfer agent fee	6		**13,838**		21,972
Miscellaneous			**12,900**		11,627
			252,624		268,495
NET INVESTMENT LOSS			**(13,788)**		(80,009)
REALISED AND UNREALISED GAIN/(LOSS) ON INVESTMENTS					
Net realised gain/(loss) on investments			**861,393**		(139,779)
Net change in unrealised gain on investments			**1,609,233**		1,206,970
NET GAIN ON INVESTMENTS			**2,470,626**		1,067,191
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS		**$**	**2,456,838**	$	987,182

The accompanying notes form an integral part of these financial statements

STATEMENT OF CHANGES IN NET ASSETS
For the year ended June 30, 2011
(Expressed in United States Dollars)

		2011		2010
NET INCREASE IN NET ASSETS:				
From Operations				
Net investment loss	**$**	**(13,788)**	$	(80,009)
Net realised gain/(loss) on investments		**861,393**		(139,779)
Net change in unrealised gain on investments		**1,609,233**		1,206,970
		2,456,838		987,182
From Capital Transactions				
Issue of shares		**506,996**		817,379
Redemption of shares		**(2,154,589)**		(2,895,759)
		(1,647,593)		(2,078,380)
NET INCREASE/(DECREASE) IN NET ASSETS		**809,245**		(1,091,198)
NET ASSETS – BEGINNING OF YEAR		**9,410,002**		10,501,200
NET ASSETS – END OF YEAR	**$**	**10,219,247**	$	9,410,002

SCHEDULE OF INVESTMENTS
As at June 30, 2011
(Expressed in United States Dollars)

Investments	Shares	Cost $	Market Value $	% of Portfolio %
Equity – Europe				
Adidas	2,110	132,775	167,470	1.72%
Carlsberg AS-B	1,250	130,370	135,975	1.39%
Essilor International	2,030	141,688	164,653	1.69%
Nestle SA	4,440	193,432	276,014	2.83%
Novartis AG	2,830	164,098	173,403	1.78%
Total SA	3,248	197,835	187,845	1.93%
Vivendi SA	5,850	212,616	162,674	1.67%
		1,172,814	1,268,034	13.01%
Equity – United Kingdom				
BG Group Plc	6,430	121,769	145,953	1.50%
Reckitt Benckiser Group LLC	2,550	99,533	140,817	1.44%
Smith & Nephew	15,130	144,114	161,516	1.66%
		365,416	448,286	4.60%
Equity – United States				
Accenture PLC	3,260	104,446	196,969	2.02%
Archer-Daniels-Midland Co	4,530	151,677	136,580	1.40%
Biogen Idec Inc.	1,620	81,430	173,210	1.78%
Check Point Software Technologies Limited	3,330	83,352	189,311	1.94%
Chevron Corp	2,070	173,312	212,879	2.18%
Cisco Systems Inc	12,360	245,042	192,940	1.98%
Citrix Systems Inc	2,310	161,597	184,800	1.90%
Conoco Phillips	2,370	201,028	178,200	1.83%
Diageo PLC ADR	1,680	96,232	137,542	1.41%
EMC Corp/Mass	6,710	145,047	184,861	1.90%
Exxon Mobil Corporation	2,601	155,063	211,669	2.17%
Johnson & Johnson	2,600	160,584	172,952	1.77%
Microsoft Corporation	7,740	191,897	201,240	2.06%
Netease.com Inc-ADR	4,080	164,368	183,967	1.89%
Pepsico Inc	3,010	199,945	211,994	2.17%
Petroleo Brasileiro SA ADR	5,140	203,968	174,040	1.79%
Pfizer Inc	8,450	147,739	174,070	1.79%
Philip Morris International	2,040	113,683	136,211	1.40%
Procter & Gamble Co	3,240	176,276	205,967	2.11%
Royal Dutch Shell PLC ADR	2,480	165,885	176,402	1.81%
Teva Pharmaceutical Industries Limited ADR	3,630	147,569	175,039	1.80%
Time Warner Inc	4,606	140,235	167,520	1.72%
Zimmer Holdings Inc	2,570	137,181	162,424	1.65%
		3,547,556	4,140,787	42.47%

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SCHEDULE OF INVESTMENTS (CONT'D)
As at June 30, 2011
(Expressed in United States Dollars)

Investments (cont'd)	Shares	Cost $	Market Value $	% of Portfolio %
Exchange Traded Funds/ Exchange Traded Product – United States				
IShares MSCI Emerging Markets Index Fund	10,781	439,604	513,176	5.26%
IShares MSCI Pacific ex-Japan Index Fund	10,710	399,921	509,903	5.23%
iShares S&P Global Industrials Sector Index Fund	9,300	442,535	529,170	5.43%
iShares S&P Global Final Sector Fund	18,090	819,353	830,512	8.52%
iShares S&P Global Materials Sector Index Fund	6,650	371,599	488,044	5.01%
iShares S&P Global Telecommunications Sector Index Fund	5,860	398,039	355,057	3.64%
iShares S&P Global Utilities Sector Index Fund	2,930	125,638	134,575	1.38%
Market Vectors - Gold Miners ETF	2,900	117,345	158,311	1.62%
Oil Services Holders Trust	970	151,043	147,440	1.51%
Vanguard Industrials ETF	3,260	170,455	226,211	2.32%
		3,435,532	3,892,399	39.92%
Total Investments		**8,521,318**	**9,749,506**	**100.00%**

The accompanying notes form an integral part of these financial statements

SCHEDULE OF INVESTMENTS
As at June 30, 2010
(Expressed in United States Dollars)

Investments	Shares	Cost $	Market Value $	% of Portfolio %
Equity – Europe				
Anheuser-Busch InBev NV	4,030	115,769	195,978	2.17%
Nestle SA	4,710	196,894	228,199	2.53%
Total SA	2,798	175,941	126,565	1.40%
Vivendi SA	7,510	273,801	154,530	1.71%
		762,405	705,272	7.81%
Equity – United Kingdom				
Reckitt Benckiser Group LLC	3,880	147,928	181,614	2.01%
		147,928	181,614	2.01%
Equity – United States				
Accenture PLC	5,130	164,358	198,274	2.20%
American Oriental Bioengineering Inc	16,290	67,825	41,051	0.45%
Amerisource Bergen Corp	2,140	61,014	67,945	0.75%
Amgen Inc	1,386	78,028	72,904	0.81%
Archer-Daniels-Midland Co	7,260	249,648	187,453	2.08%
Biogen Idec Inc.	1,790	85,288	84,936	0.94%
BP PLC ADR	4,302	281,515	124,242	1.38%
Check Point Software Technologies Limited	8,330	208,505	245,568	2.72%
Chevron Corp	3,330	278,569	225,974	2.50%
Cisco Systems Inc	10,990	233,034	234,197	2.59%
Clorox Co	1,090	61,634	67,754	0.75%
Conoco Phillips	4,720	403,016	231,705	2.57%
Diageo PLC ADR	3,080	176,425	193,239	2.14%
Exxon Mobil Corporation	1,851	107,238	105,637	1.17%
International Business Machines Corp	2,230	264,854	275,360	3.05%
Kinetic Concepts Inc	5,370	167,596	196,059	2.17%
Mylan Inc/PA	15,170	169,626	258,497	2.86%
Net App Inc	4,330	107,022	161,552	1.79%
Petro China Company Limited ADR	1,400	102,949	153,622	1.70%
Petroleo Brasileiro SA ADR	2,620	126,680	89,918	1.00%
Procter & Gamble Co	3,820	207,193	229,124	2.54%
Royal Dutch Shell PLC ADR	2,780	186,169	139,612	1.55%
Seagate Technology	5,600	89,366	73,024	0.81%
Teva Pharmaceutical Industries Limited ADR	4,440	167,227	230,836	2.56%
Time Warner Inc	5,686	172,764	164,382	1.82%
Well Point Inc	1,730	93,045	84,649	0.94%
Western Digital Corp	2,780	106,356	83,845	0.93%
		4,416,944	4,221,359	46.77%

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SCHEDULE OF INVESTMENTS (CONT'D)
As at June 30, 2010
(Expressed in United States Dollars)

Investments	**Shares**	**Cost $**	**Market Value $**	**% of Portfolio %**
Exchange Traded Funds/ Exchange Traded Product – United States				
IShares MSCI Emerging Markets Index Fund	21,921	891,207	818,092	9.06%
IShares MSCI Pacific ex-Japan Index Fund	13,310	494,168	475,699	5.27%
iShares S&P Global Industrials Sector Index Fund	8,030	370,350	336,698	3.73%
iShares S&P Global Materials Sector Index Fund	9,640	538,679	504,943	5.59%
iShares S&P Global Telecommunications Sector Index Fund	3,740	283,283	178,847	1.98%
iShares S&P Global Utilities Sector Index Fund	2,850	120,128	113,459	1.26%
Market Vectors - Gold Miners ETF	4,400	172,457	228,624	2.53%
Oil Services Holders Trust	1,280	200,370	121,139	1.34%
SPDR S&P 500 ETF Trust	9,620	865,284	992,976	11.00%
Vanguard Industrials ETF	2,620	145,104	148,540	1.65%
		4,081,030	3,919,017	43.41%
Total Investments:		**9,408,307**	**9,027,262**	**100.00%**

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2011
(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 12, 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, a Cayman Islands licensed Mutual Fund Administrator.

On December 3, 1998, the Fund 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. SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles ("GAAP") 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) Valuation of Investments
The fair value of investments traded in active markets are based on quoted market prices at the close of trading on the period end date. The quoted market price used for investments held by the Fund is the last sales price reported by the principal securities exchange on which the issue is traded, or lacking any sales, at the closing bid price. An investment is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The net change during the year between these amounts and cost is shown as net change in unrealized appreciation and deprecation on investments in the statement of operations.

b) Investment Transactions and Income Recognition
Interest and dividend income are accrued as earned and dividend income is recognised at ex-dividend date.

c) Foreign currency translation
The functional currency of the Fund is US Dollars.

Foreign currency transactions are translated to United States 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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2011
(Expressed in United States Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

d) Financial Assets and Liabilities

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) Adoption of New Accounting Standards

In January 2011, the Accounting Standards Board ("AcSB") amended the Introduction to Part I of the CICA Handbook-Accounting to allow investment companies, which include investment funds, to adopt International Financial Reporting Standards ("IFRS") for the first time no later than interim and annual financial statements relating to annual periods beginning on or after January 1, 2013. Investment companies electing to defer the first time adoption may continue to apply existing Canadian GAAP until the changeover to IFRS.

The Fund will defer the first time adoption and adopt IFRS beginning July 1, 2013. The Fund is currently evaluating the impact of this changeover.

3. 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 year-end date and the risk management policies employed by the Fund are discussed below:

a) Market 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. 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 securities not denominated in US Dollars, or in American Depository Receipts (ADRs). These securities may expose the Fund to currency risks inherent in the underlying investment based on the country of listing of the underlying security. 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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2011
(Expressed in United States Dollars)

3. FINANCIAL RISK MANAGEMENT (CONT'D)

CURRENCY RISK (cont'd)

At June 30, 2011, if the exchange rates of the relevant foreign currencies against US Dollars had been 10% higher or lower with all overall variables held constant, the net assets would have decreased/increased by $294,924 (2010: $237,674). 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in exchange rates.

As at June 30, 2011, the Fund has the following currency exposure in US Dollar equivalents:

	2011 USD	**2011 % of Net Assets**	2010 USD	2010 % of Net Assets
BRL	**174,040**	**1.70%**	89,918	1.0%
CHF	**449,310**	**4.40%**	228,009	2.4%
CNY	**183,967**	**1.80%**	-	-
DKK	**135,975**	**1.33%**	-	-
EUR	**1,055,882**	**10.33%**	888,447	9.4%
GBP	**585,712**	**5.73%**	499,291	5.3%
HKD	**-**	**-**	194,673	2.1%
ILS	**364,349**	**3.57%**	476,404	5.1%
Total	**2,949,235**	**28.86%**	2,376,742	25.3%

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 reasonably 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 and cash equivalents of $538,229 (2010: $449,209) (5.27% of the Fund's Net Assets at June 30, 2011 (2010: 4.77%)). The Fund does not have any other significant interest-bearing assets and liabilities and therefore believes its sensitivity to changes in market interest rates is insignificant.

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 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.

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, 2011 and 2010 are listed on stock exchanges.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2011
(Expressed in United States Dollars)

3. FINANCIAL RISK MANAGEMENT (CONT'D)

a) Market risk (cont'd)

As at June 30, 2011, the fair value of the Fund's investments in securities that are exposed to movement in equity prices amounted to $9,749,506 (2010: $9,027,262). The Fund estimates that a reasonably possible movement in its equity portfolio is calculated using the average performance of the Fund's benchmark over the past eight years of 7% (2010:4%) adjusted to correlate to the actual investment portfolio held. As at June 30, 2011, if the benchmark equity market prices had been 7% (2010: 4%) higher or lower with all other variables held constant, the Fund's net assets would have been $601,961 (2010: $361,090) higher or lower. The adjusted rate is the rate used when reporting price risk internally to key management personnel.

b) Credit Risk

Financial instruments that potentially expose the Fund to credit risk consist primarily of investments and cash and cash equivalents and investment balances held at brokers.

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 brokers 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, 2011 represent 0.73% of net assets (2010: 0.83%) that fall due not later than one month. The Fund's Prospectus provides for weekly subscription and redemption of shares and it is therefore exposed to the liquidity risk of meeting shareholder redemptions. The Fund does not anticipate any significant liquidity concerns in funding redemption requests and other liabilities. However, all of the Fund's investments at June 30, 2011 and 2010 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, 2011 and 2010.

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 2010. The Fund does not have any externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2011
(Expressed in United States Dollars)

4. FAIR VALUE OF FINANCIAL ASSETS

The following information provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

• Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities;
• Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
• Level 3 - inputs for the asset or liability that are not based on observable market data, including the Company's own assumptions in determining the fair value of investments

All of the Fund's investments are classified within Level 1 of the fair value hierarchy as the value of these investments are based on unadjusted quoted prices in active markets for identical assets as at June 30, 2011 and 2010.

Transfers of assets between Level 1 and Level 2
Financial assets and liabilities transferred from Level 1 to Level 2 are the result of the securities no longer being traded in an active market. There were no transfers of financial assets and liabilities from Level 1 to Level 2 in the current year. Financial assets and liabilities transferred from Level 2 to Level 1 might arise primarily as a result of the securities now being traded in an active market. There were no transfers of financial assets and liabilities from Level 2 to Level 1 at the beginning, during or at the end of the years ended June 30, 2011 and 2010.

Reconciliation of financial asset and liability movement — Level 3
The Fund did not hold any Level 3 investments at the beginning, during, or at the end of the years ended June 30, 2011 and 2010.

5. 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.

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:

	2011 **No. of Shares**	**2010** **No. of Shares**
Balance - beginning of year	1,142,936	1,377,601
Issue of redeemable shares	50,470	92,313
Redemption of redeemable shares	(221,510)	(326,978)
Balance - end of year	971,896	1,142,936

Currently only the US Dollar class of shares, and no others, have been designated and issued.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2011
(Expressed in United States Dollars)

6. 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, 2011, the Fund owed the Administrator $9,448 (2010: $12,028).

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 2011 (2010: nil).

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, 2011, the Fund owed the Custodian $6,443 (2010: $2,418).

Butterfield Fulcrum Group (Bermuda) Limited (the "Sub-Administrator") is entitled to receive a fee for providing 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, 2011, the Fund owed the Investment Advisor $25,770 (2010:$9,760).

The Sales Agent, the Custodian and the Investment Advisor are wholly owned subsidiaries of The Bank of N.T. Butterfield & Son Limited (the “Bank”). The Bank held a significant interest in the Administrator and the Sub-Administrator, until they were sold in February 2011.

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

7. DIRECTORS AND DIRECTORS' INTERESTS

The Directors of the Fund during the year were:

Conor O'Dea
Erwin Dikau
Sheree Ebanks
Michael McWatt
The Directors are not entitled to any remuneration for their services as directors.

At June 30, 2011, the Directors held between 0 and 5,000 shares each in the Fund and were each affiliated with the Custodian and Investment Advisor.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2011
(Expressed in United States Dollars)

8. FINANCIAL HIGHLIGHTS

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

Per Share Information		**2011**		2010
Net asset value - beginning of year	**$**	**8.23**	$	7.62
Income from investment operations				
Net investment loss		**(0.01)**		(0.06)
Net realized and unrealized gain on investments		**2.29**		0.67
Total from investment operations		**2.28**		0.61
Net asset value – end of year	**$**	**10.51**	**$**	8.23
Total Return		**27.70%**		8.01%
Ratios / Supplemental Data				
Total net assets - end of year (in thousands)	**$**	**10,219**	**$**	9,410
Ratio of expenses to weighted average net assets		**2.48%**		2.46%
Ratio of net investment loss to weighted average net assets		**(0.14%)**		(0.72%)
Portfolio turnover rate*		**48.07%**		32.25%

* Portfolio turnover rate is calculated using the lesser of purchases or sales of investments for the year divided by the weighted average value of investments, calculated using the last valuation date of each month.

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