

**Butterfield Global Blue
Chip Fund**

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2014

INDEPENDENT AUDITORS' 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 Blue Chip Fund (the "Fund"), which comprise the statement of assets and liabilities, including the schedule of investments, as at June 30, 2014, and the statements of operations and changes in net assets for the year then ended (all expressed in US 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.

Auditors' Responsibility

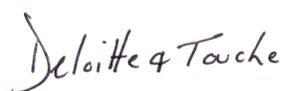
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable 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, 2014, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Canada.



September 22, 2014

Butterfield Global Blue Chip Fund

Administrator, Registrar and Transfer Agent

MUFG Fund Services (Cayman) Limited*
Strathvale House, 2nd Floor, 90 North Church Street
George Town
P.O. Box 609, Grand Cayman KY1-1107, Cayman Islands
Tel: (345) 745-7600 Fax: (345) 745-7690

*Effective September 30, 2013, Butterfield Fulcrum Group (Cayman) Limited changed its name to MUFG Fund Services (Cayman) Limited

Sub-Administrator

MUFG Fund Services (Bermuda) Limited*
The Belvedere Building
69 Pitts Bay Road
Pembroke HM 08
Bermuda
Tel: (441) 299-3882 Fax: (441) 295-6759

*Effective September 30, 2013, Butterfield Fulcrum Group (Bermuda) Limited changed its name to MUFG Fund Services (Bermuda) Limited

Investment Advisor

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

Auditors

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

Legal Advisors and Listing Agent

Appleby
Clifton House, 75 Fort Street
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Tel: (345) 949-4900 Fax: (345) 949-4901

Butterfield Global Blue Chip Fund

STATEMENT OF ASSETS AND LIABILITIES

As at June 30, 2014

(Expressed in US Dollars)

	Note	2014	2013
ASSETS			
Investments, at market value (Cost: 2014 - \$7,291,151; 2013 - \$7,360,422)	2, 3, 4	\$ 9,339,337	\$ 8,335,992
Cash and cash equivalents		106,918	160,773
Dividend income receivable		30,637	19,873
Prepaid expenses		2,711	3,797
		9,479,603	8,520,435
LIABILITIES			
Accrued expenses	6	64,435	52,926
Redemptions payable		15,308	10,990
Subscription in advance		-	40,000
		79,743	103,916
NET ASSETS		\$ 9,399,860	\$ 8,416,519
Number of common shares in issue	5	698,500	755,188
NET ASSET VALUE PER COMMON SHARE		\$ 13.46	\$ 11.14

On behalf of the Board:

Michael McWatt
DIRECTOR

Erwin Dikau
DIRECTOR

The accompanying notes form an integral part of these financial statements.

Butterfield Global Blue Chip Fund

STATEMENT OF OPERATIONS

For the year ended June 30, 2014

(Expressed in US Dollars)

	Note	2014	2013
INCOME			
Net dividend income	2	\$ 156,211	\$ 175,132
Foreign exchange loss	2	(2,316)	(11,651)
Bank interest		38	401
		153,933	163,882
EXPENSES			
Management fees	6	90,649	86,208
Custodian fees	6	22,662	21,552
Administration fees		18,545	18,937
Audit and legal fees		20,266	3,713
Sundry expenses		17,001	14,419
		169,123	144,829
NET INVESTMENT (LOSS)/INCOME		(15,190)	19,053
REALISED AND UNREALISED GAIN ON INVESTMENTS			
Net realised gain on investments		637,403	504,307
Net change in unrealised appreciation on investments		1,072,616	508,523
NET GAIN ON INVESTMENTS		1,710,019	1,012,830
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS		\$ 1,694,829	\$ 1,031,883

The accompanying notes form an integral part of these financial statements.

Butterfield Global Blue Chip Fund

STATEMENT OF CHANGES IN NET ASSETS

For the year ended June 30, 2014

(Expressed in US Dollars)

	2014	2013
NET INCREASE IN NET ASSETS:		
From Operations		
Net investment (loss)/income	\$ (15,190)	\$ 19,053
Net realised gain on investments	637,403	504,307
Net change in unrealised appreciation on investments	1,072,616	508,523
	1,694,829	1,031,883
From Capital Transactions		
Issuance of shares	678,075	539,025
Redemption of shares	(1,389,563)	(1,863,360)
	(711,488)	(1,324,335)
NET INCREASE/(DECREASE) IN NET ASSETS	983,341	(292,452)
NET ASSETS – BEGINNING OF YEAR	8,416,519	8,708,971
NET ASSETS – END OF YEAR	\$ 9,399,860	\$ 8,416,519

The accompanying notes form an integral part of these financial statements.

Butterfield Global Blue Chip Fund

SCHEDULE OF INVESTMENTS

As at June 30, 2014

(Expressed in US Dollars)

Investments	Shares	Cost	Fair Value	% of Portfolio
Equity - Europe				
Adidas AG	1,280	\$ 80,557	\$ 129,796	1.39%
Fresenius SE & Company	2,110	257,629	314,064	3.36%
Nestle SA	2,950	138,752	228,535	2.45%
Novartis AG	3,970	242,022	359,485	3.85%
Swatch Group AG	250	98,961	150,964	1.62%
Total SA	4,200	240,424	303,519	3.25%
Total Equities – Europe		\$ 1,058,345	\$ 1,486,363	15.92%
Equity/ADRs – United States				
Accenture Plc – Class A	2,230	\$ 91,387	\$ 180,273	1.93%
BHP Billiton Ltd – Sponsored ADR	1,980	128,474	135,531	1.45%
Caterpillar Inc.	1,840	174,198	199,953	2.14%
Chevron Corp.	2,570	235,837	335,513	3.59%
Cisco Systems Inc.	8,920	179,181	221,662	2.37%
EMC Corp.	8,100	180,257	213,354	2.28%
Fedex Corp.	1,420	123,761	214,960	2.30%
Intel Corp.	5,360	142,840	165,624	1.77%
International Business Machines Corp.	1,030	206,522	186,708	2.00%
Microsoft Corp.	6,670	171,518	278,139	2.98%
PepsiCo Inc.	2,400	158,382	214,452	2.30%
Procter & Gamble Company	2,700	154,511	212,193	2.27%
Royal Dutch Shell Plc ADR	4,630	332,402	381,373	4.08%
Wal-Mart Stores Inc.	1,860	121,124	139,630	1.50%
Walt Disney Company	1,930	127,073	165,478	1.77%
Zimmer Holdings Inc.	3,750	231,607	389,475	4.18%
Total Equities/ADRs – United States		\$ 2,759,074	\$ 3,634,318	38.91%
Total Equities/ADRs		\$ 3,817,419	\$ 5,120,681	54.83%

The accompanying notes form an integral part of these financial statements.

Butterfield Global Blue Chip Fund

SCHEDULE OF INVESTMENTS (CONT'D)

As at June 30, 2014

(Expressed in US Dollars)

Investments (cont'd)	Shares	Cost	Fair Value	% of Portfolio
Exchange Traded Funds – United States				
Financial Select Sector SPDR Fund	21,560	\$ 430,875	\$ 490,274	5.25%
Health Care Select Sector	3,290	166,628	200,131	2.14%
iShares NASDAQ Biotechnology	1,290	196,392	331,569	3.55%
iShares S&P Global Financials Sector Index Fund	11,420	516,977	653,452	7.00%
iShares S&P Global Industrials Sector Index Fund	1,010	49,065	73,589	0.79%
iShares S&P Global Telecommunications Sector Index Fund	1,941	131,481	122,372	1.31%
iShares S&P Global Utilities Sector Index Fund	1,420	60,208	71,440	0.76%
Market Vectors Gold Miners ETF	2,110	86,760	55,810	0.60%
Market Vectors Oil Service ETF	9,210	419,254	531,970	5.70%
Vanguard Consumer Discretionary Fund	2,400	233,980	262,032	2.81%
Vanguard Consumer Staple ETF	4,130	440,879	478,419	5.12%
Vanguard FTSE Emerging Market ETF	5,450	217,482	235,059	2.52%
Vanguard Industrials ETF	2,620	136,992	273,112	2.92%
Vanguard Materials ETF	1,940	181,982	216,814	2.32%
Wisdomtree Japan Hedged EQ	4,510	204,777	222,613	2.38%
Total Exchange Traded Funds – United States		\$ 3,473,732	\$ 4,218,656	45.17%
Total Exchange Traded Funds		\$ 3,473,732	\$ 4,218,656	45.17%
Total Investments		\$ 7,291,151	\$ 9,339,337	100.00%

The accompanying notes form an integral part of these financial statements.

Butterfield Global Blue Chip Fund

SCHEDULE OF INVESTMENTS

As at June 30, 2013

(Expressed in US Dollars)

Investments	Shares	Cost	Fair Value	% of Portfolio
Equity - Europe				
Adidas AG	1,280	\$ 80,557	\$ 138,884	1.67%
Nestle SA	2,950	138,752	193,368	2.32%
Novartis AG	3,970	242,022	281,861	3.38%
Swatch Group AG	240	92,750	131,288	1.57%
Total SA	4,848	277,519	236,554	2.84%
Vivendi SA	3,064	103,872	58,000	0.70%
Total Equities – Europe		\$ 935,472	\$ 1,039,955	12.48%
Equity – United Kingdom				
Glaxosmithkline Plc	12,420	\$ 295,828	\$ 311,362	3.74%
Reckitt Benckiser Group Plc	2,550	106,702	180,299	2.16%
Total Equities – United Kingdom		\$ 402,530	\$ 491,661	5.90%
Equity/ADRs – United States				
Accenture Plc – Class A	2,230	\$ 91,387	\$ 160,471	1.93%
BHP Billiton Ltd – Sponsored ADR	2,080	134,963	119,933	1.44%
Caterpillar Inc.	1,840	174,198	151,782	1.82%
Chevron Corp.	2,570	235,837	304,134	3.65%
Cisco Systems Inc.	8,920	179,181	217,068	2.60%
Diageo Plc ADR	1,400	86,162	160,930	1.93%
EMC Corp.	8,870	197,392	209,509	2.51%
ENI SPA-Sponsored ADR	1,710	81,284	70,178	0.84%
Exxon Mobil Corp.	3,401	227,511	307,280	3.69%
Fedex Corp.	1,670	145,550	164,629	1.97%
Intel Corp.	5,360	142,840	129,873	1.56%
International Business Machines Corp.	1,080	216,547	206,399	2.48%
Johnson & Johnson	3,820	254,984	327,985	3.93%
Microsoft Corp.	6,990	179,747	241,470	2.90%
PepsiCo Inc.	2,400	158,382	196,329	2.36%
Philip Morris International	2,010	117,796	174,106	2.09%
Procter & Gamble Company	2,620	148,242	201,714	2.42%
Wal-Mart Stores Inc.	1,470	85,642	109,500	1.31%
Walt-Disney Company	1,480	94,011	93,462	1.12%
Zimmer Holdings Inc.	4,600	278,415	344,723	4.14%
Total Equities/ADRs – United States		\$ 3,230,071	\$ 3,891,475	46.69%
Total Equities/ADRs		\$ 4,568,073	\$ 5,423,091	65.07%

The accompanying notes form an integral part of these financial statements.

Butterfield Global Blue Chip Fund

SCHEDULE OF INVESTMENTS (CONT'D)

As at June 30, 2013

(Expressed in US Dollars)

Investments (cont'd)	Shares	Cost	Fair Value	% of Portfolio
Exchange Traded Funds – United States				
Financial Select Sector SPDR	10,010	\$ 198,548	\$ 194,643	2.33%
iShares NASDAQ Biotechnology	2,940	447,592	511,207	6.13%
iShares S&P Global Financials Sector Fund	12,400	561,341	601,152	7.21%
iShares S&P Global Industrials Sector Index Fund	1,440	69,954	84,658	1.02%
iShares S&P Global Materials Sector Index Fund	2,520	140,869	134,039	1.61%
iShares S&P Global Telecommunications Sector Index Fund	1,121	75,409	66,550	0.80%
iShares S&P Global Utilities Sector Index Fund	1,420	60,208	59,683	0.72%
Market Vectors – Gold Miners ETF	2,110	86,760	51,674	0.62%
Market Vectors – Oil Service ETF	8,940	405,021	382,453	4.59%
Vanguard Consumer Discrete ETF	1,620	149,186	147,647	1.77%
Vanguard FTSE Emerging Market ETF	5,450	217,482	211,433	2.54%
Vanguard Industrials ETF	2,960	154,770	241,536	2.89%
Wisdom Tree Japan Hedged EQ	4,960	225,209	226,226	2.70%
Total Exchange Traded Funds – United States		\$ 2,792,349	\$ 2,912,901	34.93%
Total Exchange Traded Funds		\$ 2,792,349	\$ 2,912,901	34.93%
Total Investments		\$ 7,360,422	\$ 8,335,992	100.00%

The accompanying notes form an integral part of these financial statements.

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2014

(Expressed in US 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 MUFG Fund Services (Cayman) Limited (formerly 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 unrealised appreciation on investments in the Statement of Operations.

b) 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. Interest income is accrued as earned and dividend income is recognised at ex-dividend date. Transaction costs incurred on portfolio transactions are recognised immediately in net income and presented as a separate expense item on the Statement of Operations.

c) Foreign currency translation

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 year ended June 30, 2014

(Expressed in US 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, 2015. 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, 2015. 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 embodies the potential for both losses 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. 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, 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.

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2014

(Expressed in US Dollars)

3. FINANCIAL RISK MANAGEMENT (CONT'D)

a) Market risk (cont'd)

Currency Risk (cont'd)

At June 30, 2014, if the exchange rates of the relevant foreign currencies against the US Dollars had been 10% higher or lower with all overall variables held constant, the net assets would have increased/decreased by \$148,636 (2013: \$153,162). 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, 2014 and 2013, the Fund had the following currency exposure in US Dollar equivalents:

	2014 USD	2014 % of Net Assets	2013 USD	2013 % of Net Assets
CHF	738,984	7.86%	606,517	7.21%
EUR	747,379	7.95%	433,438	5.15%
GBP	-	0.00%	491,660	5.84%
Total	1,486,363	15.81%	1,531,615	18.20%

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 \$106,918 (2013: \$160,773). Cash and cash equivalents represent 1.14% of the Fund's net assets at June 30, 2014 (2013: 1.91%). 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

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, 2014 and 2013 are listed on stock exchanges.

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2014

(Expressed in US Dollars)

3. FINANCIAL RISK MANAGEMENT (CONT'D)

a) Market risk (cont'd)

Price Risk (cont'd)

As at June 30, 2014, the fair value of the Fund's investments in securities that are exposed to movement in equity prices amounted to \$9,339,337 (2013: \$8,335,992).

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 8% (2013: 7%) adjusted to correlate to the actual investment portfolio held. As at June 30, 2014, if the benchmark equity market prices had been 8% (2013: 7%) higher or lower with all other variables held constant, the Fund's net assets would have been \$639,147 (2013: \$521,365) higher or lower. The adjusted rate is the rate used when reporting price risk internally to key management personnel.

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 risk consist primarily of 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, 2014 represent 0.85% of net assets (2013: 1.22%) 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, 2014 and 2013 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, 2014 and 2013.

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 2013. The Fund does not have any externally imposed capital requirements.

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2014

(Expressed in US 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, 2014 and 2013.

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, 2014 and 2013.

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:

	2014	2013
	No. of Shares	No. of Shares
Balance - beginning of year	755,188	880,238
Issue of redeemable shares	55,730	50,831
Redemption of redeemable shares	(112,418)	(175,881)
Balance - end of year	698,500	755,188

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

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2014

(Expressed in US Dollars)

6. RELATED PARTY TRANSACTIONS

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 2014 and 2013.

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.

Custodian fees charged for the year ended June 30, 2014 were \$22,662 (2013: \$21,552) for the Fund, of which \$5,749 (2013: \$5,413) remained payable at year end and is included in accrued expenses.

Butterfield Bank (Cayman) Limited (the "Investment Advisor") is entitled to receive a management 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.

Management fees for the year ended June 30, 2014 were \$90,649 (2013: \$86,208) for the Fund, of which \$22,988 (2013: \$21,650) remained payable at year end and is included in accrued expenses.

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 would not be significant to the Fund.

7. DIRECTORS AND DIRECTORS' INTERESTS

The Directors of the Fund during the year were:

Conor O'Dea

Erwin Dikau

Michael McWatt

Peter Walker (Resigned May 5, 2014)

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

At June 30, 2014, the Directors held between 0 and 5,000 shares each in the Fund. Each Director is affiliated with the Custodian and Investment Advisor.

8. SUBSEQUENT EVENTS

The Fund has evaluated all events or transactions that occurred after June 30, 2014 through September 22, 2014, the date the financial statements were available to be issued. During this period, the Fund did not have any material recognisable subsequent events.

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2014

(Expressed in US Dollars)

9. FINANCIAL HIGHLIGHTS

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

Per Share Information	2014	2013
Net asset value – beginning of year	\$ 11.14	\$ 9.89
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Income from investment operations		
Net investment (loss)/income	(0.01)	0.03
Net realised and unrealised gain on investments	2.33	1.22
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Total from investment operations	2.32	1.25
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Net asset value – end of year	\$ 13.46	\$ 11.14
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Total Return	20.83%	12.64%
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Ratios / supplemental data		
Total net assets - end of year	\$ 9,339,860	\$ 8,416,519
Ratio of expenses to weighted average net assets	1.86%	1.69%
Ratio of net investment (loss)/income to weighted average net assets	(0.17%)	0.22%
Portfolio turnover rate*	54.47%	36.01%

* 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.