

**Butterfield Select Invest Fund  
Limited**

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
JUNE 30, 2020

# Butterfield Select Invest Fund Limited

---

## INVESTMENT MANAGER'S REPORT

For the year ended June 30, 2020

### Introduction

We are pleased to present the Annual Report of the Fund for the twelve months ended June 30, 2020. The Butterfield Select Invest Fund is divided into five share classes according to shareholders' risk appetite from Cautious to Dynamic and with the exception of the Dynamic Class, which is not open to shareholder subscriptions, allocated 100% of its investments to three classes of the Butterfield Select Fund Ltd, the Global Fixed Income Class, the Equity Class, and the Alternative Class.

### Equity Class

The net asset value (NAV) per share decreased marginally from \$16.76 to \$16.75 over the fiscal year to June 30, 2020, representing a -0.06% return for the year, net of all fees and expenses. The benchmark for the Class, the MSCI World Free Net Total Return Index returned 2.84%.

The relatively flat return for global equities over the year masks some significant volatility over the period. The global economy picked up in the fourth quarter of 2019 after a period of sluggish growth and equity markets responded accordingly. Cyclical stocks outperformed and there was optimism that this momentum would continue into 2020.

However, the COVID-19 crisis had a materially negative impact on the global economy and equity markets. Fortunately, policy makers learned important lessons during the financial crisis and responded aggressively and quickly on both the monetary and fiscal side. This support helped global markets to recovery quickly and while some sectors of the economy were hit very hard, other sectors more heavily represented in stock market indices proved to be very resilient.

Many active managers struggled to outperform their benchmarks in the US due to relatively narrow market leadership. Gains were concentrated in a small number of large cap technology orientated companies. This outperformance has led to a number of associated acronyms such as the "FANG stocks", "famous five" or "awesome 8". The stocks (Apple, Amazon, Facebook, Google, Microsoft, Netflix and Nvidia) also became popular with retail investors.

The global growth funds in the portfolio managed by American Century and Wellington performed well, returning 6.40% and 5.21% respectively. They benefited from the growth investment style performing well over the period, returning 3.45% which was well ahead of the value style which returned -17.5%. The two dedicated US value funds in the portfolio, managed by Artisan and MFS, both lagged the broad market return, but outperformed their own value orientated fund benchmark.

### Global Fixed Income Class

The net asset value (NAV) per share increased from \$21.39 to \$23.07 over the fiscal year to June 30, 2020, representing a 7.85% return for the year, net of all fees and expenses. The fund underperformed the BofA Merrill Lynch 5-10 Year AAA-A US Corporate and Government Benchmark Index by 10.83% primarily due to the underweight duration positioning during Q1 2020.

This fiscal year has been completely dominated by the effects of COVID-19 as global growth and inflation expectations have collapsed and this has been fully reflected in government bond yields with the 10 year US Treasury falling from 2.02% to 0.66% over the course of the past 12 months.

# Butterfield Select Invest Fund Limited

---

Base rates around the world have been significantly lowered and the Federal Reserve, having learned lessons from 2008, moved swiftly lowering base rates to zero - three months later the Federal Reserve has also largely backstopped the entire US investment grade bond market and most of the US high yield market, provided USD swap lines to multiple foreign central banks, aided corporates with various loan programs (directly financing them in the primary bond markets if needed) and has monetized the entire US government's fiscal spending since the crisis - in total expanding their balance sheet by an additional 70% or US\$2.9 trillion. Whilst this has provided the stimulus needed to keep the economy from entering a depression as we look ahead investors are faced with fixed income markets which are now manipulated almost beyond recognition by central bank policy.

Prior to the COVID-19 driven market volatility we had been reducing credit risk in the fund as valuations were approaching levels where value was hard to find therefore the fund had ample dry powder to add risk when the opportunity presented itself at the end of March. Since this the unprecedented monetary stimulus has led to a flight from quality with central banks absorbing sales of US government debt keeping yields low and providing a tailwind to risk assets such as inflation protection and corporate credit with CDX IG spreads tightening significantly from the highs seen earlier in the year.

Portfolio positioning in risk assets reflects our continued cautious optimism and we remain fully invested in US investment grade credit with small additional exposure to Emerging Market debt – which are all directly or indirectly beneficiaries of central bank support, we also have an allocation to US MBS for carry and US Treasuries for volatility suppression although with the current low level of yields outright cash does look like the better alternative. We expect US base rates to remain at the zero bound for an extended period with any rebound in yields due to improving economic data likely to be reflected in higher inflation expectations, where our TIPS positioning provides protection, weakness in the US dollar of which we are diversifying into G7 currencies and higher long end yields which the Federal Reserve has less control over.

Portfolio duration remains underweight vs the benchmark and as at the end of June 2020 was 5.3 years which is 80% of the benchmark index, the overall credit quality of the fund is back to a stable S&P rating of A- after we opportunistically added credit risk in March.

## **Alternative Class**

The net asset value (NAV) per share increased from \$14.73 to \$15.51 over the fiscal year to June 30, 2020, representing a 5.30% return for the year, net of all fees and expenses. In comparison the Hedge Fund Research HFRX Global Hedge Fund benchmark returned 3.09%.

The Class is managed by GCM Grosvenor and as at June 30, 2020 was allocated to 13 investment managers with an average allocation of approximately 7% to each manager, with the largest allocation to any single manager being just over 14%. The largest sector allocation the Fund had as at June 30, 2020 was to the Equities strategy at around 34%. The equities strategy is allocated to directional, low net equity, event driven and specialist sub strategies.

This was followed by Relative Value at around 25%. Over the course of the fiscal year the Macro and Credit exposure was reduced, whereas the Equity, Quantitative and Relative Value exposure was increased. Net assets finished the period at \$17.68 million.

**Dwayne Outerbridge, CFA**  
**President**  
**Butterfield Select Invest Fund Limited**  
**November 4, 2020**



Ernst & Young Ltd.  
3 Bermudiana Road  
Hamilton HM 08  
P.O. Box HM 463  
Hamilton HM BX  
BERMUDA

Tel: +1 441 295 7000  
Fax: +1 441 295 5193  
ey.com

## Independent Auditor's Report

The Board of Directors  
Butterfield Select Invest Fund Limited, comprising Cautious Class,  
Conservative Class, Balanced Class, Dynamic Class and Growth Class

### Opinion

We have audited the financial statements of Butterfield Select Invest Fund Limited, comprising Cautious Class, Conservative Class, Balanced Class, Dynamic Class and Growth Class (collectively referred to as the Fund), which comprise the statement of financial position as at June 30, 2020, and the statements of comprehensive income, changes in net assets attributable to shareholders and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the *Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

### Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, 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.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Fund's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

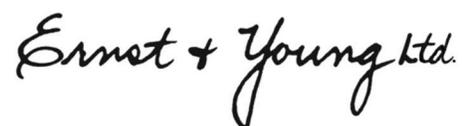
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in the auditor's report is Cordelia Davis.



November 9, 2020

# Butterfield Select Invest Fund Limited

---

## **COMPANY INFORMATION**

### **DIRECTORS**

Dwayne Outerbridge  
Jeffrey Abbott  
Richard Foley

### **INVESTMENT ADVISER**

Butterfield Asset Management Limited  
65 Front Street  
Hamilton HM 12  
Bermuda

### **CUSTODIAN**

The Bank of N.T. Butterfield & Son Limited  
65 Front Street  
Hamilton HM 12  
Bermuda

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

MUFG Fund Services (Bermuda) Limited  
Cedar House, 4th Floor North  
41 Cedar Avenue  
Hamilton HM 12  
Bermuda

### **AUDITORS**

Ernst & Young Ltd.  
3 Bermudiana Road  
Hamilton HM 08  
Bermuda

# Butterfield Select Invest Fund Limited

---

## STATEMENT OF FINANCIAL POSITION

As at June 30, 2020

(Expressed in US Dollars)

		CAUTIOUS CLASS	
		June 30, 2020	June 30, 2019
		US\$	US\$
	<b>Notes</b>		
<b>Assets</b>			
Cash and cash equivalents	2 h)	42,843	24,711
Financial assets at fair value through profit or loss (Cost: 2020 - \$3,198,006; 2019 - \$3,602,426)	3, 4	3,830,871	4,177,329
Prepaid expenses		1,124	959
<b>Total assets</b>		<b>3,874,838</b>	<b>4,202,999</b>
<b>Liabilities</b>			
Accrued expenses	6, 7	5,078	3,723
Subscriptions received in advance		200	-
<b>Total liabilities</b>		<b>5,278</b>	<b>3,723</b>
<b>Net assets attributable to shareholders</b>		<b>3,869,560</b>	<b>4,199,276</b>
Number of redeemable shares in issue	5	266,481	301,548
<b>Net asset value per redeemable share</b>		<b>14.52</b>	<b>13.93</b>

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

---

## STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at June 30, 2020

(Expressed in US Dollars)

		CONSERVATIVE CLASS	
		June 30, 2020	June 30, 2019
		US\$	US\$
	<b>Notes</b>		
<b>Assets</b>			
Cash and cash equivalents	2 h)	35,610	20,520
Financial assets at fair value through profit or loss (Cost: 2020 - \$3,783,151; 2019 - \$4,084,323)	3, 4	4,636,197	4,731,066
Prepaid expenses		1,470	1,157
<b>Total assets</b>		<b>4,673,277</b>	<b>4,752,743</b>
<b>Liabilities</b>			
Accrued expenses	6, 7	5,748	8,032
<b>Total liabilities</b>		<b>5,748</b>	<b>8,032</b>
<b>Net assets attributable to shareholders</b>		<b>4,667,529</b>	<b>4,744,711</b>
Number of redeemable shares in issue	5	357,965	385,125
<b>Net asset value per redeemable share</b>		<b>13.04</b>	<b>12.32</b>

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

---

## STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at June 30, 2020

(Expressed in US Dollars)

		BALANCED CLASS	
		June 30, 2020	June 30, 2019
		US\$	US\$
	<b>Notes</b>		
<b>Assets</b>			
Cash and cash equivalents	2 h)	78,286	54,195
Financial assets at fair value through profit or loss (Cost: 2020 - \$9,109,563; 2019- \$9,165,307)	3, 4	10,554,282	10,431,357
Prepaid expenses		2,596	2,141
<b>Total assets</b>		<b>10,635,164</b>	<b>10,487,693</b>
<b>Liabilities</b>			
Accrued expenses	6, 7	12,041	9,870
Subscriptions received in advance		500	1,000
<b>Total liabilities</b>		<b>12,541</b>	<b>10,870</b>
<b>Net assets attributable to shareholders</b>		<b>10,622,623</b>	<b>10,476,823</b>
Number of redeemable shares in issue	5	745,447	755,402
<b>Net asset value per redeemable share</b>		<b>14.25</b>	<b>13.87</b>

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

---

## STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at June 30, 2020

(Expressed in US Dollars)

		DYNAMIC CLASS	
		June 30, 2020	June 30, 2019
		US\$	US\$
	<b>Notes</b>		
<b>Assets</b>			
Cash and cash equivalents	2 h)	333,346	285,051
Financial assets at fair value through profit or loss (Cost: 2020 - \$nil; 2019 - \$50,235)	3, 4	-	55,020
Prepaid expenses		65	66
<b>Total assets</b>		<b>333,411</b>	<b>340,137</b>
<b>Liabilities</b>			
Accrued expenses	6, 7	741	1,046
<b>Total liabilities</b>		<b>741</b>	<b>1,046</b>
<b>Net assets attributable to shareholders</b>		<b>332,670</b>	<b>339,091</b>
Number of redeemable shares in issue	5	25,000	25,000
<b>Net asset value per redeemable share</b>		<b>13.31</b>	<b>13.56</b>

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

---

## STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at June 30, 2020

(Expressed in US Dollars)

		GROWTH CLASS	
		June 30, 2020	June 30, 2019
		US\$	US\$
	<b>Notes</b>		
<b>Assets</b>			
Cash and cash equivalents	2 h)	27,310	9,824
Financial assets at fair value through profit or loss (Cost: 2020 - \$2,554,009; 2019 - \$2,520,686)	3, 4	2,947,603	2,984,527
Prepaid expenses		932	951
<b>Total assets</b>		<b>2,975,845</b>	<b>2,995,302</b>
<b>Liabilities</b>			
Accrued expenses	6, 7	3,583	2,669
Subscriptions received in advance		2,500	2,050
<b>Total liabilities</b>		<b>6,083</b>	<b>4,719</b>
<b>Net assets attributable to shareholders</b>		<b>2,969,762</b>	<b>2,990,583</b>
Number of redeemable shares in issue	5	202,348	205,078
<b>Net asset value per redeemable share</b>		<b>14.68</b>	<b>14.58</b>

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

---

## SCHEDULE OF PORTFOLIO INVESTMENTS

As at June 30, 2020

(Expressed in US Dollars)

### CAUTIOUS CLASS

		2020	
	Number of Shares	Fair Value	% of Portfolio
<b>Investment Funds</b>			
Butterfield Select Fund Limited – Alternative Class	38,159	\$ 591,848	15.45%
Butterfield Select Fund Limited – Equity Class	73,735	1,235,058	32.24%
Butterfield Select Fund Limited – Global Fixed Income Class	86,865	2,003,965	52.31%
<b>TOTAL INVESTMENTS</b> (Cost: 2020 - \$3,198,006)		\$ 3,830,871	100.00%

---

### CONSERVATIVE CLASS

		2020	
	Number of Shares	Fair Value	% of Portfolio
<b>Investment Funds</b>			
Butterfield Select Fund Limited – Alternative Class	44,914	\$ 696,610	15.03%
Butterfield Select Fund Limited – Equity Class	36,718	615,032	13.27%
Butterfield Select Fund Limited – Global Fixed Income Class	144,107	3,324,555	71.70%
<b>TOTAL INVESTMENTS</b> (Cost: 2020 - \$3,783,151)		\$ 4,636,197	100.00%

---

### BALANCED CLASS

		2020	
	Number of Shares	Fair Value	% of Portfolio
<b>Investment Funds</b>			
Butterfield Select Fund Limited – Alternative Class	108,884	\$ 1,688,791	16.00%
Butterfield Select Fund Limited – Equity Class	327,152	5,479,795	51.92%
Butterfield Select Fund Limited – Global Fixed Income Class	146,758	3,385,696	32.08%
<b>TOTAL INVESTMENTS</b> (Cost: 2020 - \$9,109,563)		\$ 10,554,282	100.00%

---

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

---

## SCHEDULE OF PORTFOLIO INVESTMENTS (CONTINUED)

As at June 30, 2020

(Expressed in US Dollars)

### GROWTH CLASS

		2020	
	Number of Shares	Fair Value	% of Portfolio
<b>Investment Funds</b>			
Butterfield Select Fund Limited – Alternative Class	32,006	\$ 496,419	16.84%
Butterfield Select Fund Limited – Equity Class	138,215	2,315,107	78.54%
Butterfield Select Fund Limited – Global Fixed Income Class	5,898	136,077	4.62%
<hr/>			
<b>TOTAL INVESTMENTS</b>			
(Cost: 2020 - \$2,554,009)		\$ 2,947,603	100.00%

---

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

## STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2020

(Expressed in US Dollars)

		CAUTIOUS CLASS	
		2020 US\$	2019 US\$
	Notes		
<b>Income</b>			
Net realized gain on financial assets at fair value through profit or loss		131,601	62,711
Net change in unrealized gain on financial assets at fair value through profit or loss		57,962	146,394
<b>Total income</b>		<b>189,563</b>	<b>209,105</b>
<b>Expenses</b>			
Management fee	6 a)	9,701	10,364
Administration fee	7	5,455	5,798
Audit fee		1,203	-
Custodian fee	6 b)	1,785	2,038
Exchange fee		465	519
Legal fee		752	-
Government fee		404	396
Miscellaneous		2,368	525
<b>Total expenses</b>		<b>22,133</b>	<b>19,640</b>
<b>Net increase in net assets resulting from operations attributable to shareholders</b>		<b>167,430</b>	<b>189,465</b>

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

## STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended June 30, 2020

(Expressed in US Dollars)

		CONSERVATIVE CLASS	
		2020	2019
		US\$	US\$
	Notes		
<b>Income</b>			
Net realized gain on financial assets at fair value through profit or loss		70,050	54,813
Net change in unrealized gain on financial assets at fair value through profit or loss		206,302	197,568
Other Income		2,700	-
<b>Total income</b>		<b>279,052</b>	<b>252,381</b>
<b>Expenses</b>			
Management fee	6 a)	11,648	11,071
Administration fee	7	6,515	6,194
Audit fee		-	2,775
Custodian fee	6 b)	2,336	2,190
Exchange fee		530	1,242
Government fee		466	407
Legal fee		837	-
Miscellaneous		2,364	1,315
<b>Total expenses</b>		<b>24,696</b>	<b>25,194</b>
<b>Net increase in net assets resulting from operations attributable to shareholders</b>		<b>254,356</b>	<b>227,187</b>

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

---

## STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended June 30, 2020

(Expressed in US Dollars)

		BALANCED CLASS	
		2020	2019
		US\$	US\$
	Notes		
<b>Income</b>			
Net realized gain on financial assets at fair value through profit or loss		135,111	130,692
Net change in unrealized gain on financial assets at fair value through profit or loss		178,670	326,574
<b>Total income</b>		<b>313,781</b>	<b>457,266</b>
<b>Expenses</b>			
Management fee	6 a)	26,201	23,486
Administration fee	7	14,665	13,140
Audit fee		2,607	2,200
Custodian fee	6 b)	5,240	4,591
Exchange fee		1,505	1,556
Legal fee		1,843	-
Government fee		943	944
Miscellaneous		4,000	4,589
<b>Total expenses</b>		<b>57,004</b>	<b>50,506</b>
<b>Net increase in net assets resulting from operations attributable to shareholders</b>		<b>256,777</b>	<b>406,760</b>

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

## STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended June 30, 2020

(Expressed in US Dollars)

		DYNAMIC CLASS	
		2020	2019
		US\$	US\$
	Notes		
<b>Income</b>			
Net realized (loss)/gain on financial assets at fair value through profit or loss		(1,616)	11,024
Net change in unrealized (loss)/gain on financial assets at fair value through profit or loss		(4,785)	2,977
Dividend income		849	4,178
<b>Total (loss)/income</b>		<b>(5,552)</b>	<b>18,179</b>
<b>Expenses</b>			
Administration fee	7	476	452
Audit fee		-	429
Custodian fee	6 b)	170	182
Exchange fee		41	80
Government fee		33	41
Legal fee		61	-
Miscellaneous		88	143
<b>Total expenses</b>		<b>869</b>	<b>1,327</b>
<b>Net (decrease)/increase in net assets resulting from operations attributable to shareholders</b>		<b>(6,421)</b>	<b>16,852</b>

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

## STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended June 30, 2020

(Expressed in US Dollars)

		GROWTH CLASS	
		2020	2019
		US\$	US\$
	Notes		
<b>Income</b>			
Net realized gain on financial assets at fair value through profit or loss		59,827	38,449
Net change in unrealized (loss)/gain on financial assets at fair value through profit or loss		(70,247)	95,661
Other Income		26	-
<b>Total (loss)/income</b>		<b>(10,394)</b>	<b>134,110</b>
<b>Expenses</b>			
Management fee	6 a)	7,507	6,981
Administration fee	7	4,204	3,906
Audit fee		700	475
Custodian fee	6 b)	1,505	1,377
Exchange fee		483	802
Government fee		285	273
Legal fee		508	-
Miscellaneous		1,903	706
<b>Total expenses</b>		<b>17,095</b>	<b>14,520</b>
<b>Net (decrease)/increase in net assets resulting from operations attributable to shareholders</b>		<b>(27,489)</b>	<b>119,590</b>

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended June 30, 2020

(Expressed in US Dollars)

	<b>CAUTIOUS CLASS</b>	
	<b>2020 US\$</b>	<b>2019 US\$</b>
<b>Net increase in net assets resulting from operations attributable to shareholders</b>	<b>167,430</b>	189,465
<b>Capital stock transactions</b>		
Issue of redeemable shares	<b>278,043</b>	309,564
Redemption of redeemable shares	<b>(775,189)</b>	(500,227)
Decrease in net assets attributable to shareholders from transactions in shares	<b>(497,146)</b>	(190,663)
<b>Net decrease in net assets attributable to shareholders</b>	<b>(329,716)</b>	(1,198)
<b>Net assets attributable to shareholders – beginning of year</b>	4,199,276	4,200,474
<b>Net assets attributable to shareholders – end of year</b>	<b>3,869,560</b>	4,199,276

	<b>CONSERVATIVE CLASS</b>	
	<b>2020 US\$</b>	<b>2019 US\$</b>
<b>Net increase in net assets resulting from operations attributable to shareholders</b>	<b>254,356</b>	227,187
<b>Capital stock transactions</b>		
Issue of redeemable shares	<b>25,476</b>	636,500
Redemption of redeemable shares	<b>(357,014)</b>	(349,266)
(Decrease)/increase in net assets attributable to shareholders from transactions in shares	<b>(331,538)</b>	287,234
<b>Net (decrease)/increase in net assets attributable to shareholders</b>	<b>(77,182)</b>	514,421
<b>Net assets attributable to shareholders – beginning of year</b>	4,744,711	4,230,290
<b>Net assets attributable to shareholders – end of year</b>	<b>4,667,529</b>	4,744,711

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS (CONTINUED)

For the year ended June 30, 2020

(Expressed in US Dollars)

	<b>BALANCED CLASS</b>	
	<b>2020</b>	2019
	<b>US\$</b>	US\$
<b>Net increase in net assets resulting from operations attributable to shareholders</b>	<b>256,777</b>	406,760
<b>Capital stock transactions</b>		
Issue of redeemable shares	<b>733,085</b>	1,399,784
Redemption of redeemable shares	<b>(844,062)</b>	(1,208,042)
(Decrease)/increase in net assets attributable to shareholders from transactions in shares	<b>(110,977)</b>	191,742
<b>Net increase in net assets attributable to shareholders</b>	<b>145,800</b>	598,502
<b>Net assets attributable to shareholders – beginning of year</b>	10,476,823	9,878,321
<b>Net assets attributable to shareholders – end of year</b>	<b>10,622,623</b>	10,476,823

	<b>DYNAMIC CLASS</b>	
	<b>2020</b>	2019
	<b>US\$</b>	US\$
<b>Net (decrease)/increase in net assets resulting from operations attributable to shareholders</b>	<b>(6,421)</b>	16,852
<b>Capital stock transactions</b>		
Issue of redeemable shares	-	-
Redemption of redeemable shares	-	-
Increase in net assets attributable to shareholders from transactions in shares	-	-
<b>Net (decrease)/increase in net assets attributable to shareholders</b>	<b>(6,421)</b>	16,852
<b>Net assets attributable to shareholders – beginning of year</b>	339,091	322,239
<b>Net assets attributable to shareholders – end of year</b>	<b>332,670</b>	339,091

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

---

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS (CONTINUED)

For the year ended June 30, 2020

(Expressed in US Dollars)

	GROWTH CLASS	
	2020 US\$	2019 US\$
<b>Net (decrease)/increase in net assets resulting from operations attributable to shareholders</b>	<b>(27,489)</b>	119,590
<b>Capital stock transactions</b>		
Issue of redeemable shares	<b>543,396</b>	452,831
Redemption of redeemable shares	<b>(536,728)</b>	(244,089)
Increase in net assets attributable to shareholders from transactions in shares	<b>6,668</b>	208,742
<b>Net (decrease)/increase in net assets attributable to shareholders</b>	<b>(20,821)</b>	328,332
<b>Net assets attributable to shareholders – beginning of year</b>	2,990,583	2,662,251
<b>Net assets attributable to shareholders – end of year</b>	<b>2,969,762</b>	2,990,583

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

---

## STATEMENT OF CASH FLOWS

For the year ended June 30, 2020

(Expressed in US Dollars)

	CAUTIOUS CLASS	
	2020 US\$	2019 US\$
<b>Cash flows from operating activities</b>		
Net increase in net assets resulting from operations attributable shareholders	167,430	189,465
<i>Adjustments for:</i>		
Purchase of financial assets	(333,898)	(94,365)
Net proceeds from sale of financial assets	869,919	576,227
Net realized gain on financial assets	(131,601)	(62,711)
Net change in unrealized gain on financial assets	(57,962)	(146,394)
Changes in:		
Prepaid expenses	(165)	(11)
Accrued expenses	1,355	(2,703)
<b>Net cash provided by operating activities</b>	<b>515,078</b>	<b>459,508</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	278,043	309,564
Payments on redemption of shares	(775,189)	(500,227)
Subscriptions received in advance	200	(220,200)
<b>Net cash used in financing activities</b>	<b>(496,946)</b>	<b>(410,863)</b>
<b>Net increase in cash and cash equivalents</b>	<b>18,132</b>	<b>48,645</b>
<b>Cash and cash equivalents – beginning of year</b>	<b>24,711</b>	<b>(23,934)</b>
<b>Cash and cash equivalents – end of year</b>	<b>42,843</b>	<b>24,711</b>

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

---

## STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended June 30, 2020

(Expressed in US Dollars)

	CONSERVATIVE CLASS	
	2020 US\$	2019 US\$
<b>Cash flows from operating activities</b>		
Net increase in net assets resulting from operations attributable shareholders	254,356	227,187
<i>Adjustments for:</i>		
Purchase of financial assets	(86,434)	(648,499)
Net proceeds from sale of financial assets	457,655	429,266
Net realised gain on financial assets	(70,050)	(54,813)
Net change in unrealised gain on financial assets	(206,302)	(197,568)
Changes in:		
Prepaid expenses	(313)	(204)
Accrued expenses	(2,284)	1,572
<b>Net cash provided by/(used in) operating activities</b>	<b>346,628</b>	<b>(243,059)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	25,476	636,500
Payments on redemption of shares	(357,014)	(349,266)
<b>Net cash (used in)/provided by financing activities</b>	<b>(331,538)</b>	<b>287,234</b>
<b>Net increase in cash and cash equivalents</b>	<b>15,090</b>	<b>44,175</b>
<b>Cash and cash equivalents – beginning of year</b>	<b>20,520</b>	<b>(23,655)</b>
<b>Cash and cash equivalents – end of year</b>	<b>35,610</b>	<b>20,520</b>

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

---

## STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended June 30, 2020

(Expressed in US Dollars)

	BALANCED CLASS	
	2020 US\$	2019 US\$
<b>Cash flows from operating activities</b>		
Net increase in net assets resulting from operations attributable shareholders	256,777	406,760
<i>Adjustments for:</i>		
Purchase of financial assets	(915,900)	(1,524,084)
Net proceeds from sale of financial assets	1,106,756	1,434,542
Net realized gain on financial assets	(135,111)	(130,692)
Net change in unrealized gain on financial assets	(178,670)	(326,574)
Changes in:		
Prepaid expenses	(455)	374
Accrued expenses	2,171	(409)
<b>Net cash provided by/(used in) operating activities</b>	<b>135,568</b>	<b>(140,083)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	733,085	1,399,784
Payments on redemption of shares	(844,062)	(1,208,042)
Subscriptions received in advance	(500)	-
<b>Net cash (used in)/provided by financing activities</b>	<b>(111,477)</b>	<b>191,742</b>
<b>Net increase in cash and cash equivalents</b>	<b>24,091</b>	<b>51,659</b>
<b>Cash and cash equivalents – beginning of year</b>	<b>54,195</b>	<b>2,536</b>
<b>Cash and cash equivalents – end of year</b>	<b>78,286</b>	<b>54,195</b>

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

---

## STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended June 30, 2020

(Expressed in US Dollars)

	DYNAMIC CLASS	
	2020 US\$	2019 US\$
<b>Cash flows from operating activities</b>		
Net (decrease)/increase in net assets resulting from operations attributable shareholders	(6,421)	16,852
<i>Adjustments for:</i>		
Purchase of financial assets	-	(2,414,121)
Net proceeds from sale of financial assets	48,619	2,691,013
Net realized loss/(gain) on financial assets	1,616	(11,024)
Net change in unrealized loss/(gain) on financial assets	4,785	(2,977)
Changes in:		
Prepaid expenses	1	(63)
Accrued expenses	(305)	386
<b>Net cash provided by operating activities</b>	<b>48,295</b>	<b>280,066</b>
<b>Net increase in cash and cash equivalents</b>	<b>48,295</b>	<b>280,066</b>
<b>Cash and cash equivalents – beginning of year</b>	<b>285,051</b>	<b>4,985</b>
<b>Cash and cash equivalents – end of year</b>	<b>333,346</b>	<b>285,051</b>

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

## STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended June 30, 2020

(Expressed in US Dollars)

	<b>GROWTH CLASS</b>	
	<b>2020</b>	2019
	<b>US\$</b>	US\$
<b>Cash flows from operating activities</b>		
Net (decrease)/increase in net assets resulting from operations attributable shareholders	<b>(27,489)</b>	119,590
<i>Adjustments for:</i>		
Purchase of financial assets	<b>(597,023)</b>	(471,837)
Net proceeds from sale of financial assets	<b>623,527</b>	283,428
Net realized gain on financial assets	<b>(59,827)</b>	(38,449)
Net change in unrealized loss/(gain) on financial assets	<b>70,247</b>	(95,661)
Changes in:		
Prepaid expenses	<b>19</b>	(328)
Accrued expenses	<b>914</b>	(228)
<b>Net cash provided by/(used in) operating activities</b>	<b>10,368</b>	(203,485)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	<b>543,396</b>	452,831
Payments on redemption of shares	<b>(536,728)</b>	(244,089)
Subscriptions received in advance	<b>450</b>	1,057
<b>Net cash provided by financing activities</b>	<b>7,118</b>	209,799
<b>Net increase in cash and cash equivalents</b>	<b>17,486</b>	6,314
<b>Cash and cash equivalents – beginning of year</b>	9,824	3,510
<b>Cash and cash equivalents – end of year</b>	<b>27,310</b>	9,824

*The accompanying notes are an integral part of these financial statements*

# Butterfield Select Invest Fund Limited

---

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 1. CORPORATE INFORMATION

Butterfield Select Invest Fund Limited (the "Fund") is a mutual fund which was incorporated as an exempted company with limited liability and with unlimited duration under the laws of Bermuda on September 1, 2005.

The Fund commenced operations on October 6, 2005. The Bank of N. T. Butterfield & Son Limited acts as custodian (the "Custodian"). Butterfield Asset Management Limited acts as investment adviser (the "Investment Adviser"). MUFG Fund Services (Bermuda) Limited acts as registrar and transfer agent and as accountants/administrator (the "Registrar and Transfer Agent" or "Administrator") for the Fund. The Custodian and Investment Adviser are wholly owned subsidiaries of The Bank of N.T. Butterfield & Son Limited (the "Bank").

The registered address of the Fund is c/o MUFG Fund Services (Bermuda) Limited, Cedar House, 4th Floor North, 41 Cedar Avenue, Hamilton HM 12, Bermuda.

The Investment Adviser, Custodian and the Bank each maintains separate business units, roles and responsibilities to ensure segregation between different functions.

The objective of the Fund is to act as a fund of funds, allocating its assets to either the Butterfield Select Fund Limited's (BFSL) Share Classes, an affiliated fund, which offers a convenient and efficient vehicle for investing in mutual funds and index instruments which are anticipated to provide the best opportunity for capital appreciation having regard to diversification; or mutual funds and exchange traded funds. The Fund may also hold money market instruments, other investments or mutual funds for cash management purposes.

The Fund offers five classes, namely, Cautious, Balanced, Conservative, Dynamic and Growth. Each of the Cautious, Balanced, Conservative, and Growth share classes invests in various weightings of BFSL share classes. In addition, the Dynamic Class may invest directly in mutual funds and exchange-traded funds outside the classes of BFSL.

### 2. BASIS OF PREPARATION

#### Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). The financial statements have been prepared on a historical-cost basis, except for financial assets held at fair value through profit or loss.

The financial statements are presented in United States dollars, which is the functional currency of the Fund, and all values are rounded to the nearest dollar, except when otherwise stated.

The Fund presents its statement of financial position in order of liquidity.

#### Summary of significant accounting policies

##### a) Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires the Fund's management to make judgements, estimates and assumptions that affect the amounts reported and disclosures made in the financial statements, and accompanying notes. Management believes that the estimates and assumptions utilised in preparing the Fund's financial statements are reasonable and prudent. Actual results could differ from these estimates.

# Butterfield Select Invest Fund Limited

---

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 2. BASIS OF PREPARATION (Continued)

#### Summary of significant accounting policies (continued)

##### b) Financial instruments

###### i. Classification

In accordance with IFRS 9, the Fund classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

In applying that classification, a financial asset or financial liability is considered to be held for trading if:

- (a) It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or
- (b) On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking or
- (c) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument)

##### Financial assets

The Fund classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss on the basis of both:

- The entity's business model for managing the financial assets
- The contractual cash flow characteristics of the financial asset

##### ***Financial assets measured at amortised cost***

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Fund includes in this category short-term non-financing receivables including cash collateral posted on derivative contracts, accrued income and other receivables.

##### ***Financial assets measured at fair value through profit or loss (FVPL)***

A financial asset is measured at fair value through profit or loss if:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding or
- (b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell or
- (c) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

# Butterfield Select Invest Fund Limited

---

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 2. BASIS OF PREPARATION (Continued)

#### Summary of significant accounting policies (continued)

##### b) Financial instruments (continued)

###### i. Classification (continued)

###### ***Financial assets measured at fair value through profit or loss (FVPL) (continued)***

The Fund includes in this category:

*Debt instruments:* These include investments that are held under a business model to manage them on a fair value basis for investment income and fair value gains.

*Instruments held for trading:* This category includes equity instruments and debt instruments which are acquired principally for the purpose of generating a profit from short-term fluctuations in price. This category also includes derivative contracts in an asset position.

###### **Financial liabilities**

###### ***Financial liabilities measured at fair value through profit or loss (FVPL)***

A financial liability is measured at FVPL if it meets the definition of held for trading.

The Fund includes in this category, derivative contracts in a liability position and equity and debt instruments sold short since they are classified as held for trading.

###### ***Financial liabilities measured at amortised cost***

This category includes all financial liabilities, other than those measured at fair value through profit or loss. The Fund includes in this category convertible bonds, debentures, and other short-term payables.

###### **Receivables and Loans**

Receivables and Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Fund includes in this category collateral on derivatives, securities borrowed and other short-term receivables.

###### **Other financial liabilities**

This category includes all financial liabilities, other than those classified at FVPL. The Fund includes in this category debentures, collateral on derivatives, securities lent and other short-term payables.

###### ii. Recognition

The Fund recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument.

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Fund commits to purchase or sell the asset.

# Butterfield Select Invest Fund Limited

---

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 2. BASIS OF PREPARATION (Continued)

#### Summary of significant accounting policies (continued)

##### b) Financial instruments (continued)

###### iii. Initial measurement

Financial assets and financial liabilities at FVPL are recorded in the statement of financial position at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

Financial assets and liabilities (other than those classified at FVPL) are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

###### iv. Subsequent measurement

After initial measurement, the Fund measures financial instruments which are classified as fair value through profit or loss, at fair value. Subsequent changes in the fair value of those financial instruments are recorded in net change in unrealised gain or loss on financial assets and liabilities at fair value through profit or loss. Interest and dividend earned or paid on these instruments are recorded separately in interest revenue or expense and dividend revenue or expense.

Receivables are carried at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Financial liabilities, other than those classified as at fair value through profit or loss, are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation process.

###### v. Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset have expired, or the Fund has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Fund has:

(a) Transferred substantially all of the risks and rewards of the asset, or

(b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Fund has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Fund's continuing involvement in the asset. In that case, the fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the fund has retained.

The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

# Butterfield Select Invest Fund Limited

---

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 2. BASIS OF PREPARATION (Continued)

#### Summary of significant accounting policies (continued)

##### c) Fair value measurement

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price or dealer price quotations, without any deduction for transaction costs.

It is the policy of the Fund to value any asset quoted, listed, traded or dealt with on an exchange or market by reference to the last traded price on or prior to the relevant Valuation Day on the major exchange or market in which the assets are dealt, to the extent that such valuation is based on a price within the bid-ask spread that is most representative of fair value on valuation date.

In circumstances where the last traded price is not within the bid-ask spread, the Directors will determine the point within the bid-ask spread that is most representative of fair value.

Investments in underlying funds are carried at fair value, which is based on the net asset value ("NAV") of each share of the Fund's investments in or the pro-rata interest in the net assets of such investment funds as published or otherwise reported by the investment fund's administrators. The underlying investments of each fund are accounted for at fair value as described in each investment fund's financial statements.

The Directors at their absolute discretion may permit some other method of valuation to that described above if they consider such valuation better reflects the fair value of any investment.

##### d) Impairment of financial assets

The Fund holds only trade receivables with no financing component and which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply an approach similar to the simplified approach for expected credit losses (ECL) under IFRS 9 to all its trade receivables. Therefore the Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. As at June 30, 2020, the Fund had no ECLs and had, therefore, not recognised a loss allowance.

The Fund's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Fund uses the provision matrix as a practical expedient to measuring ECLs on trade receivables, based on days past due for groupings of receivables with similar loss patterns. Receivables are grouped based on their nature. The provision matrix is based on historical observed loss rates over the expected life of the receivables and is adjusted for forward-looking estimates.

##### e) Functional and presentation currency

The Fund's functional currency is the United States Dollar (US Dollar), which is the currency of the primary economic environment in which it operates. The Fund's performance is evaluated and its liquidity is managed in US Dollars. Therefore, the US Dollar is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The Fund's presentation currency is also the US Dollars.

# Butterfield Select Invest Fund Limited

---

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 2. BASIS OF PREPARATION (Continued)

#### Summary of significant accounting policies (continued)

##### f) Offsetting and financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Management has determined that, as at June 30, 2020 and 2019, there were no assets and liabilities offset in the statement of financial position, nor were there any assets or liabilities available for offset. The Fund does not have a legally enforceable right to offset, nor does it have master netting agreements or similar arrangements that would allow for related amounts to be set off.

##### g) Foreign currency translations

Assets and liabilities that are denominated in foreign currencies are translated into United States dollars at rates of exchange on the period end date. Transactions during the period are translated at the rate in effect at the date of the transaction. Foreign currency translation gains and losses are included in the statement of comprehensive income.

The Fund does not isolate that portion of gains and losses on investments which is due to changes in foreign exchange rates from that which is due to changes in market prices of the investments. Such fluctuations are included in the net realised and change in unrealised gain/(loss) on investments in the statement of comprehensive income.

##### h) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and short-term deposits in banks that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less and bank overdrafts. Bank overdrafts (if any) are shown in liabilities in the statement of financial position.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts when applicable.

##### i) Interest income and expense

Interest income and expense are recognised in the statement of comprehensive income for all interest-bearing financial instruments using the effective interest method.

##### j) Dividend income and expense

Dividend income is recognised on the date on which the investments are quoted ex-dividend or, where no ex-dividend date is quoted, when the Fund's right to receive the payment is established. Dividend income is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of comprehensive income. Dividend expense relating to equity securities sold short is recognised when the shareholders' right to receive the payment is established.

##### k) Realised and change in unrealised gains and losses

Realised and change in unrealised gains/(losses) on financial assets at fair value through profit or loss are recognised in the statement of comprehensive income. The cost of investments sold is accounted for using the average cost basis.

##### l) Expenses

All expenses (including management fees) are recognised in the statement of comprehensive income on an accrual basis.

# Butterfield Select Invest Fund Limited

---

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 2. BASIS OF PREPARATION (Continued)

#### Summary of significant accounting policies (continued)

##### m) Going concern

The Fund's management has assessed the Fund's ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Fund's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

##### n) Redeemable participating shares

Redeemable participating shares are redeemable at the shareholder's option and are classified as financial liabilities. The redeemable participating shares can be put back to the Fund on any dealing day (normally the next business day following the Valuation Day, which is on Thursday in each week) at a value equal to a proportionate share of the Fund's NAV. The Fund's net asset value per share is calculated by dividing the net assets attributable to shareholders with the total number of outstanding redeemable shares.

##### o) Investment entity

IFRS 10 defines an investment entity and requires a reporting entity that meets the definition of an investment entity not to consolidate but instead to measure its investments at fair value through profit or loss in its financial statements.

To qualify as an investment entity, a reporting entity is required to:

- Obtain funds from one or more investors for the purpose of providing them with investment management services;
- Commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- Measure and evaluate performance of substantially all of its investments on a fair value basis.

Management has determined that the Fund meets the definition of an investment entity and recognizes all investments at fair value through profit and loss.

##### p) Impact of new accounting pronouncements

###### IFRIC 23 - Uncertainty over income tax treatments

On June 7, 2017, the IFRS Interpretations Committee (IFRS IC) issued IFRIC 23 'Uncertainty over income tax treatments' ("IFRIC 23"). IFRIC 23 clarifies how the recognition and measurement requirements of IAS 12 'Income taxes', are applied where there is uncertainty over income tax treatments. It is effective for annual periods beginning on or after January 1, 2019.

IFRIC 23 addresses:

- (i) whether an entity considers uncertain tax treatments separately;
- (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities;
- (iii) how an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and
- (iv) how an entity considers changes in fact and circumstances.

# Butterfield Select Invest Fund Limited

---

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 2. BASIS OF PREPARATION (Continued)

#### Summary of significant accounting polices (continued)

##### p) Impact of new accounting pronouncements (continued)

###### **IFRIC 23 - Uncertainty over income tax treatments (continued)**

The Fund has analyzed its tax positions and has concluded that no asset/liability for unrecognized tax benefits/obligations should be recorded relating to uncertain tax positions for the year ended June 30, 2020. Currently, the only taxes recorded by the Fund are withholding taxes applicable to certain income. For the year ended June 30, 2020, no other income tax liability or expense has been recorded in the accompanying financial statements.

The general tax position of the Fund is disclosed in note 8 to the financial statements.

##### q) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below. The Fund based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Fund. Such changes are reflected in the assumptions when they occur.

###### ***Fair value***

For fair value of financial instruments please refer to Note 4.

### 3. FINANCIAL RISK MANAGEMENT

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

#### **Credit Risk**

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. Financial instruments that potentially expose the Fund to credit and counterparty risk consist primarily of cash and cash equivalents and balances held at brokers.

The value of such balances on the statement of financial position includes consideration of the creditworthiness of the issuer, and, accordingly represents the maximum credit risk exposure of the Fund.

Substantially all of the assets of the Fund are held by the registrar and transfer agent, the Fund's Custodian and the Bank. The Fund monitors its risk by monitoring the credit quality of the Custodian and the Bank. As at June 30, 2020, the credit ratings of the Custodian and the Bank, as provided by Standard and Poor's, were both BBB+ (2019 – BBB+).

#### **Currency Risk**

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

# Butterfield Select Invest Fund Limited

---

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### Currency Risk (continued)

As at June 30, 2020 and 2019, the Fund's exposure to currencies other than the Fund's reporting currency was limited to small balances of cash and cash equivalents denominated in foreign currencies which are not significant to the class as a whole.

#### Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Fund's exposure to cash flow interest rate risk is limited to its cash and cash equivalents or bank overdrafts which represent 1.11% (2019 – 0.59%) for Cautious Class, 0.76% (2019 – 0.43%) for the Conservative Class; 0.74% (2019 – 0.52%) for the Balanced Class; 100.20% (2019 – 84.06%) for the Dynamic Class and 0.92% (2019 – 0.33%) for the Growth Class; of each of the respective Class' net assets. The Fund does not have any other significant interest-bearing assets or liabilities.

#### Liquidity Risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities. The Fund is exposed to liquidity risk by way of weekly cash redemptions of redeemable shares. The Fund invests primarily in other investment companies which could expose the Fund to increased liquidity risk. However, the Fund's entire portfolio is realizable on a daily or a weekly basis which mitigates the risk related to weekly cash redemptions. The Fund may be exposed to additional liquidity risks in extraordinary cases where underlying investment companies had periods in which redemptions are suspended due to adverse market conditions.

As of June 30, 2020 and 2019, all investments held by the Cautious, Conservative, Balanced, Dynamic and Growth Classes offer redemptions on a daily or weekly basis.

#### Price/Market Risk

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

As at June 30, 2020 and 2019, all of the investments held in the Cautious, Conservative, Balanced, and Growth Classes were exposed to changes in portfolio prices. As at June 30, 2020 and 2019, if the portfolio prices had been 5% higher or lower with all other variables held constant the net assets of each class would have been impacted as follows:

	Impact on Net Assets	
	2020	2019
	US\$	US\$
Cautious Class	191,544	208,866
Conservative Class	231,810	236,553
Balanced Class	527,714	521,568
Dynamic Class	-	2,751
Growth Class	147,380	149,226

A sensitivity rate of 5% is used when reporting other price/market risk internally to key management personnel and represents management's assessment of possible change in market prices.

# Butterfield Select Invest Fund Limited

---

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 4. FAIR VALUE OF FINANCIAL ASSETS

The following 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 market observable for the asset or liability, either directly or indirectly; and
- Level 3 - inputs for the asset or liability that are not based on observable market data, including the Fund's own assumptions in determining the fair value of investments.

For the year ended June 30, 2020, all of the investments held in the Cautious, Conservative, Balanced and Growth Classes were classified as Level 2 (Dynamic had no investments at June 30, 2020). For the year ended June 30, 2019, all of the investments held in the Cautious, Conservative, Balanced and Growth Classes were classified as Level 2, while the investments held in Dynamic Class were classified as Level 1 of the fair value hierarchy.

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 during the years ended June 30, 2020 and 2019. Financial assets and liabilities transferred from Level 2 to Level 1 are the 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 during the years ended June 30, 2020 and 2019. The Fund did not hold any level 3 investments at the beginning, during, or at the end of the years ended June 30, 2020 and 2019.

### 5. SHARES ISSUED AND OUTSTANDING

The authorised share capital of the Fund is US\$10,001 (2019 – US\$10,001) divided into:

1,000,000,000 redeemable shares of US\$0.00001 par value each, which have been designated as non-voting, participating shares.

100 organisational shares of US\$.01 par value each, which have been designated as voting, non-participating shares, allotted for cash at par to the Investment Adviser and its nominees.

Under the By-laws, the organisational shares have only nominal rights if and so long as there are any other shares of the Fund in issue.

Details of shares issued and outstanding during the years ended June 30, 2020 and 2019 are as follows:

<b>CAUTIOUS CLASS REDEEMABLE SHARES</b>	<b>2020</b>	<b>2019</b>
Balance – beginning of year	<b>301,548</b>	315,934
Issue of redeemable shares	<b>20,435</b>	23,196
Redemption of redeemable shares	<b>(55,502)</b>	(37,582)
Balance – end of year	<b>266,481</b>	301,548

# Butterfield Select Invest Fund Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 5. SHARES ISSUED AND OUTSTANDING (Continued)

<b>CONSERVATIVE CLASS REDEEMABLE SHARES</b>		
	<b>2020</b>	<b>2019</b>
Balance – beginning of year	<b>385,125</b>	360,340
Issue of redeemable shares	<b>2,000</b>	54,419
Redemption of redeemable shares	<b>(29,160)</b>	(29,634)
Balance – end of year	<b>357,965</b>	385,125

<b>BALANCED CLASS REDEEMABLE SHARES</b>		
	<b>2020</b>	<b>2019</b>
Balance – beginning of year	<b>755,402</b>	743,614
Issue of redeemable shares	<b>52,993</b>	104,218
Redemption of redeemable shares	<b>(62,948)</b>	(92,430)
Balance – end of year	<b>745,447</b>	755,402

<b>DYNAMIC CLASS REDEEMABLE SHARES</b>		
	<b>2020</b>	<b>2019</b>
Balance – beginning of year	<b>25,000</b>	25,000
Issue of redeemable shares	-	-
Redemption of redeemable shares	-	-
Balance – end of year	<b>25,000</b>	25,000

<b>GROWTH CLASS REDEEMABLE SHARES</b>		
	<b>2020</b>	<b>2019</b>
Balance – beginning of year	<b>205,078</b>	190,003
Issue of redeemable shares	<b>36,731</b>	32,404
Redemption of redeemable shares	<b>(39,461)</b>	(17,329)
Balance – end of year	<b>202,348</b>	205,078

Redeemable shares are allotted to subscribers at a value determined by reference to the weekly valuation of the net assets of the class. Redeemable shares may be redeemed for an amount equal to the net asset value per share as at the close of business on the Valuation Day, following receipt of the properly completed request for redemption, subject to the power of the directors to deduct therefrom an amount sufficient in their opinion to meet sale and fiscal charges incurred in realising assets to provide funds to meet the request.

#### **Capital Management**

As a result of the ability to issue, repurchase and resell shares, the capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund. The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable shares beyond those included in the Fund's Prospectus.

# Butterfield Select Invest Fund Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 6. RELATED PARTY TRANSACTIONS

#### a) Management Fee

The Investment Adviser is related to the Fund through common directorship.

Under the terms of the Investment Advisory Agreement, the Investment Adviser is entitled to receive a monthly fee calculated at the rate of no more than 1.0% per annum of the average valuation of the net assets of each class in each month, 0.25% was charged during the year (2019: 0.25%), and will be paid on the last Valuation Day in each month. During the year the Dynamic Class was charged no Management Fee.

Class	Management fees charged		Management fees payable	
	2020	2019	2020	2019
	US\$	US\$	US\$	US\$
Cautious	9,701	10,364	871	887
Conservative	11,648	11,071	1,048	1,002
Balanced	26,201	23,486	2,393	2,206
Dynamic	-	-	-	-
Growth	7,507	6,981	668	629

#### b) Custodian Fee

In accordance with the custodian agreement, the Custodian receives a fee based on the fair value of assets under administration at the rate of 3.25 basis points per annum, subject to a minimum of \$1,250 for each of the Select Invest classes. On March 1, 2018 this rate increased to 5 basis points per annum. Details of custodian fees charged and payable, as at June 30, 2020 and 2019 for each class are set out in the table below.

Class	Custodian fees charged		Custodian fees payable	
	2020	2019	2020	2019
	US\$	US\$	US\$	US\$
Cautious	1,785	2,038	1,103	859
Conservative	2,336	2,190	1,542	948
Balanced	5,240	4,591	3,447	1,953
Dynamic	170	182	112	70
Growth	1,505	1,377	1,006	596

#### c) Others

The Bank owns shares of the Conservative Class, Balanced Class, Dynamic Class and Growth Class, as outlined below. The Bank did not own any shares of the Cautious Class as at June 30, 2020 and 2019.

#### CONSERVATIVE CLASS

	2020	2019
Balance – beginning of year	235,000	235,000
Shares purchased	-	-
Shares redeemed	-	-
Balance – end of year	235,000	235,000

# Butterfield Select Invest Fund Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 6. RELATED PARTY TRANSACTIONS (Continued)

#### c) Others (continued)

<b>BALANCED CLASS</b>	<b>2020</b>	<b>2019</b>
Balance – beginning of year	<b>235,000</b>	235,000
Shares purchased	-	-
Shares redeemed	-	-
<b>Balance – end of year</b>	<b>235,000</b>	<b>235,000</b>

<b>DYNAMIC CLASS</b>	<b>2020</b>	<b>2019</b>
Balance – beginning of year	<b>25,000</b>	25,000
Shares purchased	-	-
Shares redeemed	-	-
<b>Balance – end of year</b>	<b>25,000</b>	<b>25,000</b>

<b>GROWTH CLASS</b>	<b>2020</b>	<b>2019</b>
Balance – beginning of year	<b>25,000</b>	25,000
Shares purchased	-	-
Shares redeemed	-	-
<b>Balance – end of year</b>	<b>25,000</b>	<b>25,000</b>

The Fund also invests in the Select funds, a related party. Please refer to the schedule of portfolio investments for further details.

### 7. ADMINISTRATION FEE (INCLUDING ACCOUNTING FEE AND REGISTRAR AND TRANSFER AGENT FEE)

In accordance with the administration agreement, the Administrator receives a fee based upon the nature and extent of the services provided. Administration fee for the year was \$31,315 (2019: \$29,490). Details of administration fees charged and payable, as at June 30, 2020 and 2019 for each class are set out in the table below. Administration fees payable at June 30, 2020 and 2019 are included in accrued expenses in the statements of financial position.

<b>Class</b>	<b>Administration fees charged</b>		<b>Administration fees payable</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
<b>Cautious</b>	<b>5,455</b>	5,798	<b>1,304</b>	478
<b>Conservative</b>	<b>6,515</b>	6,194	<b>1,584</b>	1,183
<b>Balanced</b>	<b>14,665</b>	13,140	<b>3,561</b>	2,527
<b>Dynamic</b>	<b>476</b>	452	<b>116</b>	85
<b>Growth</b>	<b>4,204</b>	3,906	<b>979</b>	744

# Butterfield Select Invest Fund Limited

---

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended June 30, 2020

### **8. TAXATION**

Under current Bermuda law, the Fund is not obligated to pay taxes in Bermuda on either income or capital gains. The Fund has received an undertaking from the Minister of Finance in Bermuda, pursuant to the provisions of the exempted undertaking Tax Protection Act, 1966 which exempted the Fund from any such Bermuda taxes up to March 28, 2016.

In March 2011, the Bermuda Government enacted the Exempted Undertakings Tax Protection Amendment Act 2011, allowing the Minister of Finance to grant assurance up to March 31, 2035. On January 29, 2015 the Minister of Finance granted assurance to the Fund up to that date.

### **9. COMMITMENTS AND CONTINGENCIES**

Management has determined that the Fund had no commitments or contingencies as at June 30, 2020 (2019: none).

### **10. SUBSEQUENT EVENTS**

The Fund has evaluated all the events or transactions that occurred after June 30, 2020 through November 9, 2020, the date the financial statements were available to be issued.

The Investment Adviser acknowledges the current outbreak of COVID-19 which is causing economic disruption in most countries and is actively monitoring developments closely. Given the nature of the outbreak and the on-going developments, there is a high degree of uncertainty and it is not possible at this time to predict the extent and nature of the overall future impact on the Fund.

The Fund did not have any other material subsequent events.

# Butterfield Select Invest Fund Limited

---

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 11. FINANCIAL HIGHLIGHTS

2020	Cautious Class	Conservative Class	Balanced Class
<b>Per Share Information</b>			
<b>Net asset value - beginning of year</b>	\$ 13.93	\$ 12.32	\$ 13.87
<b>Net investment income from operations</b>			
Net investment loss****	(0.09)	(0.06)	(0.07)
Net realised and unrealised gain on investments	0.68	0.78	0.45
<b>Total from investment operations</b>	<b>0.59</b>	<b>0.72</b>	<b>0.38</b>
<b>Net asset value - end of year</b>	<b>\$ 14.52</b>	<b>\$ 13.04</b>	<b>\$ 14.25</b>
<b>Ratios / Supplemental Data</b>			
Total net assets - end of year	\$ 3,869,560	\$ 4,667,529	\$ 10,622,623
Weighted average net assets*	\$ 3,869,792	\$ 4,651,133	\$ 10,454,792
Ratio of expenses to weighted average net assets	0.57%	0.48%	0.55%
Portfolio turnover rate**	8.69%	1.87%	8.81%
Annual rate of return***	4.24%	5.84%	2.74%

# Butterfield Select Invest Fund Limited

---

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 11. FINANCIAL HIGHLIGHTS (Continued)

2020 (Continued)		Dynamic Class		Growth Class
<b>Per Share Information</b>				
<b>Net asset value - beginning of year</b>	\$	13.56	\$	14.58
<b>Net investment income from operations</b>				
Net investment loss****		(0.00)		(0.08)
Net realised and change in unrealised Gain/(loss) on investments		(0.25)		0.18
<b>Total from investment operations</b>		<b>(0.25)</b>		<b>0.10</b>
<b>Net asset value - end of year</b>	\$	13.31	\$	14.68
<b>Ratios / Supplemental Data</b>				
Total net assets - end of year	\$	332,670	\$	2,969,762
Weighted average net assets*	\$	338,858	\$	2,990,483
Ratio of expenses to weighted average net assets		0.26%		0.58%
Portfolio turnover rate**		96.23%		20.05%
Annual rate of return***		-1.84%		0.69%

\* Weighted average net assets are calculated using net assets on the last valuation date of each month.

\*\* 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.

\*\*\* Annual rate of return is calculated by comparing the end of year net asset value to the beginning of year net asset value.

\*\*\*\*Net investment gain/loss represents other income less expenses.

# Butterfield Select Invest Fund Limited

---

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 11. FINANCIAL HIGHLIGHTS (Continued)

2019	Cautious Class	Conservative Class	Balanced Class
<b>Per Share Information</b>			
<b>Net asset value - beginning of year</b>	\$ 13.30	\$ 11.74	\$ 13.28
<b>Net investment income from operations</b>			
Net investment loss****	(0.06)	(0.07)	(0.07)
Net realised and unrealised gain on investments	0.69	0.65	0.66
<b>Total from investment operations</b>	<b>0.63</b>	<b>0.58</b>	<b>0.59</b>
<b>Net asset value - end of year</b>	<b>\$ 13.93</b>	<b>\$ 12.32</b>	<b>\$ 13.87</b>
<b>Ratios / Supplemental Data</b>			
Total net assets - end of year	\$ 4,199,275	\$ 4,744,711	\$ 10,476,823
Weighted average net assets*	\$ 4,133,632	\$ 4,460,505	\$ 9,428,339
Ratio of expenses to weighted average net assets	0.48%	0.57%	0.54%
Portfolio turnover rate**	8.27%	9.68%	15.35%
Annual rate of return***	4.66%	4.94%	4.44%

# Butterfield Select Invest Fund Limited

---

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

### 11. FINANCIAL HIGHLIGHTS (Continued)

2019 (Continued)		Dynamic Class		Growth Class
<b>Per Share Information</b>				
<b>Net asset value - beginning of year</b>	\$	<b>12.89</b>	\$	<b>14.01</b>
<b>Net investment income from operations</b>				
Net investment gain/(loss)****		0.11		(0.07)
Net realised and change in unrealised gain on investments		0.56		0.64
<hr/>				
Total from investment operations		0.67		0.57
<b>Net asset value - end of year</b>	\$	<b>13.56</b>	\$	<b>14.58</b>
<b>Ratios / Supplemental Data</b>				
Total net assets - end of year	\$	339,091	\$	2,990,583
Weighted average net assets*	\$	323,866	\$	2,802,372
Ratio of expenses to weighted average net assets		0.41%		0.52%
Portfolio turnover rate**		1,161.11%		10.16%
Annual rate of return***		5.20%		4.07%

\* Weighted average net assets are calculated using net assets on the last valuation date of each month.

\*\* 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.

\*\*\* Annual rate of return is calculated by comparing the end of year net asset value to the beginning of year net asset value.

\*\*\*\*Net investment gain/loss represents other income less expenses.

### 12. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Directors on November 4, 2020.