

**Butterfield Money Market Fund  
Limited**

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
JUNE 30, 2016

# Butterfield Money Market Fund Limited

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## JUNE 2016 ANNUAL REPORT

### US Dollar Class

In the summer of 2015, market expectations for the first increase in the Fed Funds Rate in over nine years were high. Volatility in August 2015 kept the Fed on hold through the autumn, but in December the Fed finally decided to lift the rate from the zero bound to a range of 0.25% to 0.5%. In the aftermath of the rate hike, expectations were that the tightening cycle was underway and ultra-low rates would give way to a return to a more normal base rate environment. However, volatility returned to markets in the first quarter of 2016 and the Fed has thus far erred on the side of caution and remained on hold in reaction to what they perceive as a high degree of economic uncertainty globally. Near the end of the Fiscal year, June's Fed meeting evidenced a very conservative outlook, with significant misgivings about making any moves ahead of the British referendum on EU membership.

The rate hike in December of 2015 finally allowed for the US Dollar Class yield to drift away from zero over the Fiscal year, providing some return to our shareholders. Management aimed to extend maturities as often as possible to benefit from the positive yield curve and locking in the higher rates where possible has benefitted the Class. Liquidity was still of the utmost importance and achieved by keeping a minimum of 15% of holdings maturing on a rolling two week basis. As at 30 June, 2016, exposure to securities with Standard & Poor's highest short-term credit rating of A-1+ was 66%, well in excess of the 50% required for AAAM rated money market funds, whilst the average life of the portfolio moved closer to neutral, at 39 days. The Class A shares' 7 day yield at the end of the Fiscal year reached 0.26% and Class B shares ended at 0.30%.

### Canadian Dollar Class

Canada has provided ample recent evidence for how quickly a sovereign's economic backdrop can change. Continued softness resulted in a 25 basis point cut by the Bank of Canada (BoC) in July of 2015. Canada did post two quarters of negative GDP, a technical recession, but managed to shrug off the 2015 downturn with a 2.3% print for GDP in the third quarter of 2015. The Canadian economy has made slow progress towards rebalancing with contributions from the weaker Canadian Dollar and stabilization in the oil price. GDP for the first quarter of 2016 came in at a strong 2.4% and clearly showed improvements in consumer spending, exports, and residential investment. However, wildfires in Alberta forced unplanned shutdowns by oil sands producers dampened the prognosis for the last quarter of the Fiscal year.

Throughout the fiscal year, the markets were acutely aware that the BoC has ceased forward guidance as a policy tool and all eyes were watchful for comments from the BoC members that would provide clues as to whether the July 2015 rate cut was the last. Several times weakness in the economic data resulted in the perception that a rate cut was on the horizon and short-term yields dropped as a consequence. In this environment, we kept maturities as short as possible until fears subsided. Once the meetings passed with no change, rates returned to neutral levels and the Class moved into longer maturities.

# Butterfield Money Market Fund Limited

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## **Sterling Class**

Prolonged weakness in the Euro area and its impact on trade for the UK was a deterrent to the Bank of England taking enough comfort in the steady, yet modest, performance of the economy to begin tightening policy. The Central Bank was insistent that they wanted to see more productivity and wage growth, both of which have underwhelmed in the current recovery, much like the United States. The BoE forecasts that inflation will return to the 2% target within the next 2 years, but the hard economic data over the Fiscal year did not provide evidence that this goal will be reached. The Referendum to decide whether Britain should leave the European Union was held just a week before the end of the Fund's Fiscal year, but handicapping of so-called "Brexit" probabilities dominated headlines the entire first half of calendar 2016. The vote to leave in the early hours of June 24 inserted considerable volatility to financial markets, which had priced for the UK to remain within the EU. Subsequent to the end of the Fiscal year, the Bank of England lowered interest rates to 0.25% in order to safeguard the economy in the face of considerable uncertainty as to the timing and implications of Britain's decision to leave the EU.

UK Treasury Bills remain the largest allocation for this Class. Liquidity needs are fulfilled through weekly auctions and an active secondary market, whereas activity and liquidity in corporate issuers in the UK is considerably lower. 100% of the portfolio was rated A-1+ for majority of the first calendar quarter of 2016, in part due to the sizeable holding of T-bills. Other instruments, such as Euro-commercial paper, fixed rate bonds and floating rate notes are actively sought and are often a good higher-yielding alternative to T-Bills. The Class closed the Fiscal year with 80% allocated to T-Bills and the average life was 51 days.

Michael Neff  
President  
Butterfield Bermuda Fund Limited  
October 6, 2016

## Independent Auditors' Report

The Board of Directors

Butterfield Money Market Fund Limited, comprising US\$ Class, CDN\$ Class,  
GBP£ Class and EUR€Class (collectively referred to as the Fund)

We have audited the accompanying financial statements of the Butterfield Money Market Fund Limited, comprising US\$ Class, CDN\$ Class, GBP£ Class and EUR€Class, which comprise the statements of financial position as at June 30, 2016 and 2015, for US\$ Class, CDN\$ Class and GBP£ Class, and the statements of comprehensive income, changes in net assets attributable to shareholders and cash flows for the years ended June 30, 2016 and 2015, for US\$ Class, CDN\$ Class and GBP£ Class and for the period from July 1, 2014 to September 4, 2014, for EUR€Class, 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 International Financial Reporting Standards, 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

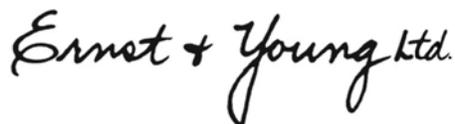
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable 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 auditors' 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 auditors consider 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 in our audits 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 Butterfield Money Market Fund Limited, comprising US\$ Class, CDN\$ Class and GBP£ Class, as at June 30, 2016 and 2015, and its financial performance and its cash flows for the years ended June 30, 2016 and 2015, for US\$ Class, CDN\$ Class and GBP£ Class and for the period from July 1, 2014 to September 4, 2014, for EUR€Class in accordance with International Financial Reporting Standards.



October 6, 2016

# Butterfield Money Market Fund Limited

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## **DIRECTORS**

David Ware  
Dawn Griffiths  
Michael Neff (President)  
Daniel Frumkin  
Richard Saunders (resigned as of October 1st, 2015)  
Nigel Garrard (appointed as of October 1st, 2015)

## **INVESTMENT ADVISER**

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

## **CUSTODIAN**

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

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

MUFG Fund Services (Bermuda) Limited  
The Belvedere Building  
69 Pitts Bay Road  
Pembroke HM 08  
Bermuda

## **AUDITORS**

Ernst & Young Ltd.  
P.O. Box HM 463  
Hamilton HM BX  
Bermuda

# Butterfield Money Market Fund Limited

## STATEMENT OF FINANCIAL POSITION As at June 30, 2016

		US\$ CLASS	
		June 30, 2016 US\$	June 30, 2015 US\$
	Notes		
<b>Assets</b>			
Cash and cash equivalents	2 h)	144,506	93,828
Financial assets at fair value through profit or loss	3, 4	1,311,696,295	1,557,864,715
Interest receivable		998,315	1,616,419
Prepaid expenses		11,874	6,312
<b>Total assets</b>		<b>1,312,850,990</b>	<b>1,559,581,274</b>
<b>Liabilities</b>			
Accrued expenses	6, 7	492,843	481,682
		<b>492,843</b>	<b>481,682</b>
Organisational shares	5	12,000	12,000
<b>Total liabilities and equity (including net assets attributable to shareholders)</b>		<b>1,312,850,990</b>	<b>1,559,581,274</b>
<b>Net assets attributable to shareholders</b>		<b>1,312,346,147</b>	<b>1,559,087,592</b>
Net assets available to shareholders – Sub-Class A			
		<b>638,766,514</b>	687,865,350
Number of common shares in issue – Sub-Class A			
	5	<b>26,084,427</b>	28,126,685
Net asset value per common share – Sub-Class A			
		<b>24.4884</b>	24.4560
Net assets available to shareholders – Sub-Class B			
		<b>673,579,633</b>	871,222,242
Number of common shares in issue – Sub-Class B			
	5	<b>27,073,944</b>	35,072,232
Net asset value per common share – Sub-Class B			
		<b>24.8793</b>	24.8408

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

# Butterfield Money Market Fund Limited

## STATEMENT OF FINANCIAL POSITION (Continued) As at June 30, 2016

		<b>CDN\$ CLASS</b>	
		<b>June 30, 2016</b>	June 30, 2015
		<b>CDN\$</b>	<b>CDN\$</b>
	<b>Notes</b>		
<b>Assets</b>			
Cash and cash equivalents	2 h)	<b>41,207</b>	20,217
Financial assets at fair value through profit or loss	3, 4	<b>28,278,956</b>	44,973,990
Interest receivable		<b>20,765</b>	18,351
Prepaid expenses		<b>6,230</b>	8,189
<b>Total assets</b>		<b>28,347,158</b>	45,020,747
<b>Liabilities</b>			
Accrued expenses	6, 7	<b>26,600</b>	40,479
<b>Total liabilities (including net assets attributable to shareholders)</b>		<b>28,347,158</b>	45,020,747
<b>Net assets attributable to shareholders</b>		<b>28,320,558</b>	44,980,268
Net assets available to shareholders – Sub-Class A		<b>27,729,474</b>	33,632,655
Number of common shares in issue – Sub-Class A	5	<b>1,648,346</b>	2,000,542
Net asset value per common share – Sub-Class A		<b>16.8226</b>	16.8118
Net assets available to shareholders – Sub-Class B		<b>591,084</b>	11,347,613
Number of common shares in issue – Sub-Class B	5	<b>34,359</b>	660,834
Net asset value per common share – Sub-Class B		<b>17.2031</b>	17.1716

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

# Butterfield Money Market Fund Limited

## STATEMENT OF FINANCIAL POSITION (Continued) As at June 30, 2016

		<b>GBP£ CLASS</b>	
		<b>June 30, 2016</b>	June 30, 2015
		<b>GBP£</b>	<b>GBP£</b>
	<b>Notes</b>		
<b>Assets</b>			
Cash and cash equivalents	2 h)	<b>53,589</b>	28,843
Financial assets at fair value through profit or loss	3, 4	<b>43,606,609</b>	33,942,578
Interest receivable		<b>47,865</b>	68,458
Prepaid expenses		<b>5,821</b>	5,870
<b>Total assets</b>		<b>43,713,884</b>	34,045,749
<b>Liabilities</b>			
Accrued expenses	6, 7	<b>42,396</b>	26,454
Due to Broker		<b>502,975</b>	-
<b>Total liabilities (including net assets attributable to shareholders)</b>		<b>545,371</b>	26,454
<b>Net assets attributable to shareholders</b>		<b>43,168,513</b>	34,019,295
Net assets available to shareholders – Sub-Class A		<b>21,967,426</b>	31,736,694
Number of common shares in issue – Sub-Class A	5	<b>1,081,873</b>	1,563,263
Net asset value per common share – Sub-Class A		<b>20.3050</b>	20.3016
Net assets available to shareholders – Sub-Class B		<b>21,201,087</b>	2,282,601
Number of common shares in issue – Sub-Class B	5	<b>1,025,846</b>	110,535
Net asset value per common share – Sub-Class B		<b>20.6669</b>	20.6506

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

# Butterfield Money Market Fund Limited

## SCHEDULE OF PORTFOLIO INVESTMENTS – US\$ CLASS As at June 30, 2016

Nominal US\$	Issuer	S&P Rating	Yield %	Maturity Date	Fair Value US\$	Percent of Net Assets %
<b>INVESTMENTS</b>						
<b>Certificates of Deposit</b>						
79,025,906	CIBC	A-1	0.2800	01-Jul-16	<b>79,025,906</b>	<b>6.02</b>
					<b>79,025,906</b>	<b>6.02</b>
<b>Commercial Paper, Notes and State and Provincial Paper (DCP)</b>						
57,025,000	Bank of Tokyo Mitsubishi	A-1	0.4722	1-Jul-16	<b>57,024,252</b>	<b>4.35</b>
25,000,000	Sumitomo Mitsui Banking	A-1	0.4200	1-Jul-16	<b>24,999,708</b>	<b>1.90</b>
21,000,000	BNP Paribas	A-1	0.2700	1-Jul-16	<b>20,999,843</b>	<b>1.60</b>
45,100,000	KFW	A-1+	0.5678	5-Jul-16	<b>45,096,443</b>	<b>3.44</b>
29,000,000	Svenska Handelsbanken	A-1+	0.7800	7-Jul-16	<b>28,995,602</b>	<b>2.21</b>
36,500,000	British Columbia (Province of)	A-1+	0.4515	7-Jul-16	<b>36,496,795</b>	<b>2.78</b>
25,000,000	BCEE Luxembourg	A-1+	0.3900	8-Jul-16	<b>24,997,833</b>	<b>1.90</b>
15,000,000	Nordea Bank AB	A-1+	0.6200	13-Jul-16	<b>14,996,642</b>	<b>1.14</b>
9,400,000	Oesterreichische Kontrollbank	A-1+	0.4500	15-Jul-16	<b>9,398,238</b>	<b>0.72</b>
50,000,000	DNB Bank ASA	A-1	0.5150	1-Aug-16	<b>49,977,111</b>	<b>3.81</b>
12,000,000	British Columbia (Province of)	A-1+	0.4900	2-Aug-16	<b>11,994,610</b>	<b>0.91</b>
20,000,000	Ontario (Province of)	A-1+	0.3700	3-Aug-16	<b>19,993,011</b>	<b>1.52</b>
21,596,000	National Australia Bank	A-1+	0.7800	8-Aug-16	<b>21,577,751</b>	<b>1.64</b>
25,000,000	Westpac Banking Corp	A-1+	0.7800	8-Aug-16	<b>24,978,875</b>	<b>1.90</b>
55,000,000	Standard Chartered Bank	A-1	0.6400	12-Aug-16	<b>54,957,956</b>	<b>4.19</b>
25,000,000	Caisse Des Depots et Consignations	A-1+	0.6700	19-Aug-16	<b>24,976,736</b>	<b>1.90</b>
15,000,000	Sumitomo Mitsui Banking	A-1	0.6400	26-Aug-16	<b>14,984,800</b>	<b>1.14</b>
39,400,000	Bank Nederlandse Gemeenten NV	A-1+	0.5946	31-Aug-16	<b>39,359,652</b>	<b>3.00</b>
15,000,000	Commonwealth Bank of Australia	A-1+	0.8100	1-Sep-16	<b>14,978,738</b>	<b>1.14</b>
27,000,000	Nordea Bank AB	A-1+	0.5000	1-Sep-16	<b>26,976,375</b>	<b>2.06</b>
31,000,000	Ontario (Province of)	A-1+	0.4700	1-Sep-16	<b>30,974,503</b>	<b>2.36</b>
20,000,000	Sumitomo Mitsui Banking	A-1	0.6200	8-Sep-16	<b>19,975,889</b>	<b>1.52</b>
20,000,000	National Australia Bank	A-1+	0.7950	20-Sep-16	<b>19,963,783</b>	<b>1.52</b>
50,000,000	Nationwide Building Society	A-1	0.6400	22-Sep-16	<b>49,925,333</b>	<b>3.80</b>
35,000,000	Bank of Nova Scotia	A-1	0.8000	26-Sep-16	<b>34,931,556</b>	<b>2.66</b>
20,000,000	Commonwealth Bank of Australia	A-1+	0.8100	30-Sep-16	<b>19,958,600</b>	<b>1.52</b>
20,000,000	Svenska Handelsbanken	A-1+	0.7100	14-Oct-16	<b>19,958,189</b>	<b>1.52</b>
20,000,000	Bank of Nova Scotia	A-1	0.8500	1-Nov-16	<b>19,941,444</b>	<b>1.52</b>
15,000,000	Nordea Bank AB	A-1+	0.8150	1-Nov-16	<b>14,957,892</b>	<b>1.14</b>
30,000,000	Royal Bank of Canada	A-1+	0.7100	28-Nov-16	<b>29,910,658</b>	<b>2.28</b>
20,000,000	ANZ Banking Group	A-1+	0.7500	1-Dec-16	<b>19,935,833</b>	<b>1.52</b>
					<b>848,194,651</b>	<b>64.61</b>

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

# Butterfield Money Market Fund Limited

## SCHEDULE OF PORTFOLIO INVESTMENTS – US\$ CLASS (Continued) As at June 30, 2016

Nominal US\$	Issuer	S&P Rating	Yield %	Maturity Date	Fair Value US\$	Percent of Net Assets %
<b>INVESTMENTS (Continued)</b>						
<b>Commercial Paper, Notes and Provincial Paper (ECP)</b>						
30,000,000	EUROFIMA	A-1+	0.5900	5-Jul-16	29,997,542	2.29
10,000,000	Oesterreichische Kontrollbank	A-1+	0.5000	5-Jul-16	9,999,306	0.76
20,000,000	Caisse Des Depots et Consignations	A-1+	0.6600	8-Jul-16	19,997,067	1.52
8,000,000	Belgium Kingdom	A-1+	0.5400	8-Jul-16	7,999,040	0.61
10,000,000	Landeskreditbank Baden-wuerttemberg	A-1+	0.5200	11-Jul-16	9,998,411	0.76
50,000,000	Quebec (Province of)	A-1+	0.4700	11-Jul-16	49,992,820	3.81
25,000,000	New South Wales Treasury Corp	A-1+	0.4200	11-Jul-16	24,996,794	1.90
15,000,000	EUROFIMA	A-1+	0.5900	15-Jul-16	14,996,313	1.14
25,000,000	NRW Bank	A-1+	0.5200	22-Jul-16	24,992,058	1.90
25,000,000	Landeskreditbank Baden-wuerttemberg	A-1+	0.5500	9-Aug-16	24,984,732	1.90
15,000,000	Swedish Housing Finance	A-1	0.6200	10-Aug-16	14,989,416	1.14
15,000,000	Toronto Dominion Bank	A-1+	0.6200	14-Sep-16	14,980,392	1.14
					<b>247,923,891</b>	<b>18.87</b>
<b>Bonds – Fixed</b>						
33,000,000	NRW Bank	A-1+	0.6530	12-Jul-16	33,018,447	2.52
7,835,000	Svenska Handelsbanken	A-1+	0.7482	12-Jul-16	7,841,093	0.60
					<b>40,859,540</b>	<b>3.12</b>
<b>Floating Rate Notes</b>						
23,000,000	ANZ Banking Group	A-1+	0.3824	15-Jul-16	23,000,870	1.75
8,000,000	Bank Nederlandse Gemeenten NV	A-1+	0.6500	18-Jul-16	8,000,720	0.61
21,217,000	Royal Bank of Canada	A-1+	0.6607	9-Sep-16	21,237,235	1.62
11,435,000	Nederlandse Waterschapsbank NV	A-1+	0.6600	18-Oct-16	11,442,141	0.87
7,000,000	Westpac Banking Corp	A-1+	0.7902	21-Oct-16	7,002,260	0.53
25,000,000	Westpac Banking Corp	A-1+	1.0022	1-Mar-17	25,009,081	1.91
					<b>95,692,307</b>	<b>7.29</b>
<b>TOTAL INVESTMENTS</b>					<b>1,311,696,295</b>	<b>99.91</b>

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

# Butterfield Money Market Fund Limited

## SCHEDULE OF PORTFOLIO INVESTMENTS – CDN\$ CLASS As at June 30, 2016

Nominal CDN\$	Issuer	S&P Rating	Yield %	Maturity Date	Fair Value CDN\$	Percent of Net Assets %
<b>INVESTMENTS</b>						
<b>Certificates of Deposit</b>						
2,240,722	CIBC	A-1	0.2800	05-Jul-16	2,240,739	7.91
					<b>2,240,739</b>	<b>7.91</b>
<b>Notes and Provincial Paper</b>						
1,400,000	Quebec (Province of)	A-1+	0.6204	5-Jul-16	1,399,881	4.94
500,000	Alberta (Province of)	A-1+	0.6310	12-Jul-16	499,896	1.77
1,300,000	Nova Scotia (Province of)	A-1+	0.6322	18-Jul-16	1,299,595	4.59
750,000	British Columbia (Province Of)	A-1+	0.6518	20-Jul-16	749,732	2.65
1,300,000	Prince Edward Island	A-1	0.6514	20-Jul-16	1,299,536	4.59
750,000	Alberta (Province of)	A-1+	0.6484	26-Jul-16	749,654	2.65
650,000	Saskatchewan (Province of)	A-1+	0.6284	7-Sep-16	649,229	2.29
600,000	Saskatchewan (Province of)	A-1+	0.6400	7-Oct-16	598,960	2.11
500,000	British Columbia (Province Of)	A-1+	0.6402	9-Dec-16	498,583	1.76
					<b>7,745,066</b>	<b>27.35</b>
<b>Canadian Treasury Bills and Commercial Paper</b>						
1,300,000	National Bank of Canada	A-1	0.8494	13-Jul-16	1,299,607	4.59
2,250,000	Canada T-Bill	A-1+	0.4695	14-Jul-16	2,249,595	7.94
1,100,000	Newfoundland (Province of)	A-1	0.6337	21-Jul-16	1,099,599	3.88
1,100,000	Bank of Montreal	A-1	0.8018	2-Aug-16	1,099,203	3.88
600,000	Bank of Nova Scotia	A-1	0.7998	8-Aug-16	599,488	2.12
1,000,000	Manitoba (Province of)	A-1+	0.6298	10-Aug-16	999,293	3.53
1,000,000	Ontario (Province of)	A-1+	0.6390	10-Aug-16	999,289	3.53
1,500,000	Canada T-Bill	A-1+	0.5501	11-Aug-16	1,499,051	5.29
1,200,000	New Brunswick(Province of)	A-1+	0.6294	18-Aug-16	1,198,987	4.23
350,000	Ontario (Province of)	A-1+	0.6510	24-Aug-16	349,657	1.23
1,400,000	Canada T-Bill	A-1+	0.5414	25-Aug-16	1,398,838	4.94
500,000	Bank of Nova Scotia	A-1	0.8207	26-Aug-16	499,360	1.76
250,000	Toronto Dominion Bank	A-1+	0.8297	6-Sep-16	249,614	0.88
1,370,000	Canada T-Bill	A-1+	0.5543	8-Sep-16	1,368,545	4.83
1,000,000	Toronto Dominion Bank	A-1+	0.8411	21-Sep-16	998,091	3.52
					<b>15,908,217</b>	<b>56.15</b>
<b>Bonds – Fixed and Euro-Notes</b>						
375,000	KFW	A-1+	0.7845	22-Aug-16	375,384	1.33
1,000,000	Rabobank Nederland	A-1	1.1768	17-Oct-16	1,003,519	3.54
1,000,000	Canada Housing Trust	A-1+	0.5318	15-Dec-16	1,006,031	3.55
					<b>2,384,934</b>	<b>8.42</b>
<b>TOTAL INVESTMENTS</b>					<b>28,278,956</b>	<b>99.83</b>

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

# Butterfield Money Market Fund Limited

## SCHEDULE OF PORTFOLIO INVESTMENTS – GBP£ CLASS As at June 30, 2016

Nominal GBP£	Issuer	S&P Rating	Yield %	Maturity Date	Fair Value GBP£	Percent of Net Assets %
<b>INVESTMENTS</b>						
<b>Certificates of Deposit</b>						
1,420,062	Royal Bank of Canada	A-1+	0.0500	01-Jul-16	1,420,062	3.29
1,000,000	Nordea Bank AB	A-1+	0.5800	15-Aug-16	999,270	2.32
1,500,000	Svenska handelsbanken	A-1+	0.5400	16-Aug-16	1,500,010	3.47
					<b>3,919,342</b>	<b>9.08</b>
<b>Notes and Provincial Paper</b>						
1,000,000	Toronto Dominion Bank	A-1+	0.6900	21-Nov-16	997,285	2.31
					<b>997,285</b>	<b>2.31</b>
<b>UK Treasury Bills</b>						
3,258,000	UK Treasury Bill	A-1+	0.3992	4-Jul-16	3,257,857	7.55
5,000,000	UK Treasury Bill	A-1+	0.4440	11-Jul-16	4,999,331	11.58
3,500,000	UK Treasury Bill	A-1+	0.4143	18-Jul-16	3,499,287	8.11
5,642,000	UK Treasury Bill	A-1+	0.3959	25-Jul-16	5,640,475	13.07
3,500,000	UK Treasury Bill	A-1+	0.4114	8-Aug-16	3,498,464	8.10
500,000	UK Treasury Bill	A-1+	0.4500	15-Aug-16	499,717	1.16
500,000	UK Treasury Bill	A-1+	0.4800	30-Aug-16	499,599	1.16
320,000	UK Treasury Bill	A-1+	0.4800	12-Sep-16	319,689	0.74
2,420,000	UK Treasury Bill	A-1+	0.3350	19-Sep-16	2,418,202	5.60
3,200,000	UK Treasury Bill	A-1+	0.4402	26-Sep-16	3,196,608	7.40
1,300,000	UK Treasury Bill	A-1+	0.4500	3-Oct-16	1,298,479	3.01
610,000	UK Treasury Bill	A-1+	0.4600	10-Oct-16	609,217	1.41
2,500,000	UK Treasury Bill	A-1+	0.3760	17-Oct-16	2,497,196	5.78
1,500,000	UK Treasury Bill	A-1+	0.4600	31-Oct-16	1,497,678	3.47
500,000	UK Treasury Bill	A-1+	0.4800	7-Nov-16	499,147	1.16
500,000	UK Treasury Bill	A-1+	0.4900	21-Nov-16	499,035	1.15
					<b>34,729,981</b>	<b>80.45</b>
<b>Bonds – Fixed</b>						
1,450,000	KFW	A-1+	0.5046	7-Sep-16	1,458,758	3.38
					<b>1,458,758</b>	<b>3.38</b>
<b>Floating Rate Notes</b>						
1,000,000	Bank of Nova Scotia	A-1	0.6599	20-Sep-16	1,000,851	2.32
1,500,000	Rabobank	A-1	0.8000	28-Apr-17	1,500,392	3.47
					<b>2,501,243</b>	<b>5.79</b>
<b>TOTAL INVESTMENTS</b>					<b>43,606,609</b>	<b>101.01</b>

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

# Butterfield Money Market Fund Limited

## STATEMENT OF COMPREHENSIVE INCOME For the year ended June 30, 2016

<b>US\$ CLASS</b>			
	<b>Notes</b>	<b>2016 US\$</b>	<b>2015 US\$</b>
<b>Income</b>			
Interest		5,646,974	3,126,326
<b>Expenses</b>			
Management fee	6 a)	1,959,887	1,002,194
Administration fee	7	929,399	1,050,720
Audit fee		71,677	66,856
Custodian fee	6 b)	397,085	446,527
Registrar and transfer agent fee	6 d)	255,537	254,025
Miscellaneous		127,621	99,689
<b>Total expenses</b>		<b>3,741,206</b>	<b>2,920,011</b>
<b>Increase in net assets attributable to shareholders</b>		<b>1,905,768</b>	<b>206,315</b>

<b>CDN\$ CLASS</b>			
	<b>Notes</b>	<b>2016 CDN\$</b>	<b>2015 CDN\$</b>
<b>Income</b>			
Interest		251,263	480,991
<b>Expenses</b>			
Management fee	6 a)	126,187	165,456
Administration fee	7	32,606	31,826
Audit fee		5,183	3,951
Custodian fee	6 b)	11,611	13,741
Registrar and transfer agent fee	6 d)	12,203	4,201
Miscellaneous		23,913	38,626
<b>Total expenses</b>		<b>211,703</b>	<b>257,801</b>
<b>Increase in net assets attributable to shareholders</b>		<b>39,560</b>	<b>223,190</b>

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

# Butterfield Money Market Fund Limited

## STATEMENT OF COMPREHENSIVE INCOME (Continued) For the year ended June 30, 2016

<b>GBP£ CLASS</b>			
	<b>Notes</b>	<b>2016 GBP£</b>	<b>2015 GBP£</b>
<b>Income</b>			
Interest		<b>156,642</b>	138,285
<b>Expenses</b>			
Management fee	6 a)	<b>92,970</b>	78,850
Administration fee	7	<b>23,544</b>	20,289
Audit fee		<b>5,322</b>	1,716
Custodian fee	6 b)	<b>9,446</b>	9,094
Registrar and transfer agent fee	6 d)	<b>3,721</b>	9,672
Miscellaneous		<b>11,593</b>	12,304
<b>Total expenses</b>		<b>146,596</b>	131,925
<b>Increase in net assets attributable to shareholders</b>		<b>10,046</b>	6,360

<b>EUR€ CLASS</b>			
	<b>Notes</b>	<b>2016** EUR€</b>	<b>2015* EUR€</b>
<b>Income</b>			
Interest		-	3,376
<b>Expenses</b>			
Management fee	6 a)	-	-
Administration fee	7	-	2,530
Audit fee		-	500
Custodian fee	6 b)	-	1,224
Registrar and transfer agent fee	6 d)	-	1,034
Miscellaneous		-	2,893
<b>Total expenses before fee waiver</b>		-	8,181
Subsidy Income	6 e)	-	(4,871)
<b>Net expenses</b>		-	3,310
<b>Increase in net assets attributable to shareholders</b>		-	66

\*For the period from July 1, 2014 to September 4, 2014. Refer to Note 1 for further details.

\*\*Effective December 8, 2014 EUR Class was liquidated.

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

# Butterfield Money Market Fund Limited

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the year ended June 30, 2016

	<b>US\$ CLASS</b>	
	<b>2016 US\$</b>	<b>2015 US\$</b>
<b>Increase in net assets attributable to shareholders</b>	<b>1,905,768</b>	206,315
<b>Capital stock transactions</b>		
Issue of redeemable shares	3,018,645,598	3,807,308,443
Redemption of redeemable shares	(3,267,292,811)	(3,902,034,290)
Net capital stock transactions	(248,647,213)	(94,725,847)
<b>Net decrease in net assets for the year</b>	<b>(246,741,445)</b>	(94,519,532)
<b>Net assets attributable to shareholders – beginning of year</b>	<b>1,559,087,592</b>	1,653,607,124
<b>Net assets attributable to shareholders – end of year</b>	<b>1,312,346,147</b>	1,559,087,592
	<b>CDN\$ CLASS</b>	
	<b>2016 CDN\$</b>	<b>2015 CDN\$</b>
<b>Increase in net assets attributable to shareholders</b>	<b>39,560</b>	223,190
<b>Capital stock transactions</b>		
Issue of redeemable shares	139,377,702	89,257,510
Redemption of redeemable shares	(156,076,972)	(115,284,012)
Net capital stock transactions	(16,699,270)	(26,026,502)
<b>Net decrease in net assets for the year</b>	<b>(16,659,710)</b>	(25,803,312)
<b>Net assets attributable to shareholders – beginning of year</b>	<b>44,980,268</b>	70,783,580
<b>Net assets attributable to shareholders – end of year</b>	<b>28,320,558</b>	44,980,268

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

# Butterfield Money Market Fund Limited

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS (Continued) For the year ended June 30, 2016

	<b>GBP£ CLASS</b>	
	<b>2016 GBP£</b>	<b>2015 GBP£</b>
<b>Increase in net assets attributable to shareholders</b>	<b>10,046</b>	6,360
<b>Capital stock transactions</b>		
Issue of redeemable shares	27,239,806	21,961,955
Redemption of redeemable shares	(18,100,634)	(20,128,925)
Net capital stock transactions	9,139,172	1,833,030
<b>Net increase in net assets for the year</b>	<b>9,149,218</b>	1,839,390
<b>Net assets attributable to shareholders – beginning of year</b>	<b>34,019,295</b>	32,179,905
<b>Net assets attributable to shareholders – end of year</b>	<b>43,168,513</b>	34,019,295

	<b>EUR€ CLASS</b>	
	<b>2016** EUR€</b>	<b>2015* EUR€</b>
<b>Increase in net assets attributable to shareholders</b>	-	66
<b>Capital stock transactions</b>		
Issue of redeemable shares	-	44,730
Redemption of redeemable shares	-	(29,496,532)
Net capital stock transactions	-	(29,451,802)
<b>Net decrease in net assets for the year</b>	-	(29,451,736)
<b>Net assets attributable to shareholders – beginning of year</b>	-	29,451,736
<b>Net assets attributable to shareholders – end of year/period</b>	-	-

\*For the period from July 1, 2014 to September 4, 2014. Refer to Note 1 for further details.

\*\*Effective December 8, 2014 EUR Class was liquidated.

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

# Butterfield Money Market Fund Limited

## STATEMENT OF CASH FLOWS For the year ended June 30, 2016

	US\$ CLASS	
	2016 US\$	2015 US\$
<b>Cash flows from operating activities</b>		
Net increase in net assets resulting from operations attributable to shareholders	1,905,768	206,315
<i>Adjustments for:</i>		
Purchase of financial assets	(33,336,828,841)	(32,767,719,784)
Net proceeds from sale of financial assets	33,582,997,261	32,863,309,632
Changes in:		
Interest receivable	618,104	(1,127,828)
Prepaid expenses	(5,562)	20,606
Accrued expenses	11,161	86,938
<b>Net cash provided by operating activities</b>	<b>248,697,891</b>	<b>94,775,879</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of redeemable shares	3,018,645,598	3,807,308,443
Payments from redemption of redeemable shares	(3,267,292,811)	(3,902,034,290)
<b>Net cash used in financing activities</b>	<b>(248,647,213)</b>	<b>(94,725,847)</b>
<b>Net increase in cash and cash equivalents</b>	<b>50,678</b>	<b>50,032</b>
<b>Cash and cash equivalents – beginning of year</b>	<b>93,828</b>	<b>43,796</b>
<b>Cash and cash equivalents – end of year</b>	<b>144,506</b>	<b>93,828</b>
<b>Supplemental cash flow information:</b>		
Interest received	6,265,078	1,998,498

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

# Butterfield Money Market Fund Limited

## STATEMENT OF CASH FLOWS (Continued) For the year ended June 30, 2016

	<b>CDN\$ CLASS</b>	
	<b>2016 CDN\$</b>	<b>2015 CDN\$</b>
<b>Cash flows from operating activities</b>		
Net increase in net assets resulting from operations attributable to shareholders	39,560	223,190
<i>Adjustments for:</i>		
Purchase of financial assets	(1,018,861,106)	(1,970,831,879)
Net proceeds from sale of financial assets	1,035,556,140	1,996,417,153
Changes in:		
Interest receivable	(2,414)	209,702
Prepaid expenses	1,959	(524)
Accrued expenses	(13,879)	5,169
<b>Net cash provided by operating activities</b>	<b>16,720,260</b>	<b>26,022,811</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of redeemable shares	139,377,702	89,257,510
Payments from redemption of redeemable shares	(156,076,972)	(115,284,012)
<b>Net cash used in financing activities</b>	<b>(16,699,270)</b>	<b>(26,026,502)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>20,990</b>	<b>(3,691)</b>
<b>Cash and cash equivalents – beginning of year</b>	<b>20,217</b>	<b>23,908</b>
<b>Cash and cash equivalents – end of year</b>	<b>41,207</b>	<b>20,217</b>
<b>Supplemental cash flow information:</b>		
Interest received	248,849	690,693

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

# Butterfield Money Market Fund Limited

## STATEMENT OF CASH FLOWS (Continued) For the year ended June 30, 2016

	<b>GBP£ CLASS</b>	
	<b>2016 GBP£</b>	<b>2015 GBP£</b>
<b>Cash flows from operating activities</b>		
Net increase in net assets resulting from operations attributable to shareholders	10,046	6,360
<i>Adjustments for:</i>		
Purchase of financial assets	(510,538,407)	(732,312,719)
Net proceeds from sale of financial assets	500,874,375	730,446,806
Changes in:		
Interest receivable	20,593	20,581
Prepaid expenses	49	683
Accrued expenses	15,943	10,555
Due to Broker	502,975	-
<b>Net cash used in operating activities</b>	<b>(9,114,426)</b>	<b>(1,827,734)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of redeemable shares	27,239,806	21,961,955
Payments from redemption of redeemable shares	(18,100,634)	(20,128,925)
<b>Net cash provided by financing activities</b>	<b>9,139,172</b>	<b>1,833,030</b>
<b>Net increase in cash and cash equivalents</b>	<b>24,746</b>	<b>5,296</b>
<b>Cash and cash equivalents – beginning of year</b>	<b>28,843</b>	<b>23,547</b>
<b>Cash and cash equivalents – end of year</b>	<b>53,589</b>	<b>28,843</b>
<b>Supplemental cash flow information:</b>		
Interest received	177,235	158,866

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

# Butterfield Money Market Fund Limited

## STATEMENT OF CASH FLOWS (Continued) For the year ended June 30, 2016

	EURE CLASS	
	2016** EURE	2015* EURE
<b>Cash flows from operating activities</b>		
Net increase in net assets resulting from operations attributable to shareholders	-	66
<i>Adjustments for:</i>		
Purchase of financial assets	-	(48,391,927)
Net proceeds from sale of financial assets	-	77,794,168
Changes in:		
Interest receivable	-	28,193
Prepaid expenses and receivable	-	8,136
Accrued expenses	-	(9,216)
<b>Net cash provided by operating activities</b>	-	29,429,420
<b>Cash flows from financing activities</b>		
Proceeds from issue of redeemable shares	-	44,730
Payments from redemption of redeemable shares	-	(29,496,532)
<b>Net cash used in financing activities</b>	-	(29,451,802)
<b>Net decrease in cash and cash equivalents</b>	-	(22,382)
<b>Cash and cash equivalents – beginning of year</b>	-	22,382
<b>Cash and cash equivalents – end of year/period</b>	-	-
<b>Supplemental cash flow information:</b>		
Interest received	-	31,569

\*For the period from July 1, 2014 to September 4, 2014. Refer to Note 1 for further details.

\*\*Effective December 8, 2014 EUR Class was liquidated.

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

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2016

### 1. CORPORATE INFORMATION

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

The Fund commenced operations on July 11, 1988. Butterfield Trust (Bermuda) Limited acts as custodian (the "Custodian") to the Fund. 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, The Belvedere Building 69 Pitts Bay Road, Pembroke HM 08, Bermuda.

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

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

The Board of Directors resolved to close the Fund's EUR€ Class effective December 8, 2014. The decision was made as a result of the European Central Bank's decision to allow negative interest rates. A Special General Meeting of the EUR€ Class Shareholders was held on July 30, 2014 and the necessary 75% approval was received for closure of the Class. The shareholders were asked to voluntarily redeem their shares, with any remaining shareholders compulsorily redeemed on September 4, 2014.

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

### 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 (US\$ Class), Canadian Dollars (CDN\$ Class), Great British Pound Sterling (GBP£ Class) and Euros (EUR€ Class), which are also the functional currencies of each class and all values are rounded to the nearest currency unit.

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.

##### **b) Financial instruments**

###### **i. Classification**

The Fund classifies its financial assets and financial liabilities at initial recognition into the following categories, in accordance with IAS 39 'Financial Instruments: Recognition and Measurement'.

###### **Financial assets and liabilities at fair value through profit or loss**

The category of financial assets and liabilities at fair value through profit or loss is sub-divided into:

Financial assets and liabilities held for trading: financial assets are classified as held for trading if they are acquired for the purpose of selling and/or repurchasing in the near term. This category includes certificate of deposits, bonds, commercial papers and other interest bearing investments. These assets are acquired principally for the purpose of generating a profit from short-term fluctuations in price.

Financial instruments designated at fair value through profit or loss upon initial recognition: these include debt instruments not held for trading. The Fund did not hold any financial instruments designated at fair value through profit or loss upon initial recognition as at June 30, 2016 and 2015.

###### **Receivables**

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

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

This category includes all financial liabilities, other than those classified as held for trading. The Fund includes in this category amounts for other short-term payables.

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

### 2. BASIS OF PREPARATION (Continued)

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

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

###### 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 recognised on the trade date, i.e., the date that the Fund commits to purchase or sell the asset.

###### iii. Initial measurement

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

Receivables and other financial liabilities are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

For financial assets and liabilities where the fair value at initial recognition does not equal the transaction price, the Fund recognises the difference in the statement of comprehensive income, unless specified otherwise.

###### iv. Subsequent measurement

After initial measurement, the Fund measures financial instruments which are classified as at fair value through profit or loss, at fair value. Subsequent changes in the fair value of those financial instruments are recorded in net 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 income or expense and dividend income or expense in the statement of comprehensive income.

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.

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

### 2. BASIS OF PREPARATION (Continued)

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

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

###### v. Derecognition (continued)

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where 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 either: the Fund has transferred substantially all the risks and rewards of the asset, or the Fund has 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.

##### 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 binding dealer price quotations, without any deduction for transaction costs.

Investments are valued at amortised cost which approximates fair value because of the short term nature of the investments.

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 assesses at each reporting date whether a financial asset or group of financial assets is impaired if, and only if, there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred loss event) and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtor/counterparty or a group of debtors/counterparties is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter into bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred) discounted using the asset's original effective interest rate.

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

### 2. BASIS OF PREPARATION (Continued)

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

##### e) Functional and presentation currency

The financial statements are presented in the four different functional currencies of each Class, except where otherwise indicated. US\$ Class is presented in United States Dollars (US\$), CDN\$ Class is presented in Canadian Dollars (CDN\$), GBP£ Class is presented in Great British Pound Sterling (GBP£), and EUR€ Class is presented in Euro (EUR€). Each Classes performance is evaluated and its liquidity is managed in its functional currency. Therefore, each class' functional currency is considered as the currency that most faithfully represents the economic effects of the Class' underlying transactions, events and conditions.

##### 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 recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Management has determined that as at June 30, 2016 and 2015, 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 the respective currencies of each class 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 would be included in the net realized and change in unrealized gain/(loss) on investments in the statement of comprehensive income.

##### h) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position 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.

Short-term investments that are not held for the purpose of meeting short-term cash commitments and restricted margin accounts are not considered as 'cash and cash equivalents'.

##### i) Due from and due to broker

Amounts due from and to brokers represents cash held with brokers and receivables for securities sold and payables for securities purchased that have been contracted for but not settled or delivered on the statement of financial position date, respectively. These amounts are recognized at fair value.

##### j) Interest income and expense

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

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

### 2. BASIS OF PREPARATION (Continued)

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

##### k) 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.

##### l) Expenses

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

##### m) Share capital

The Fund's Organisational Shares are classified as equity in accordance with the Fund's articles of association. These shares do not participate in the profits of the Fund.

##### 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 (being any day that banks in Bermuda are open for business, excluding Saturdays) at a value equal to a proportionate share of the Fund's net asset value ("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

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

# Butterfield Money Market Fund Limited

## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

### 2. BASIS OF PREPARATION (Continued)

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

#### p) Impact of accounting pronouncements issued but not yet effective

##### IFRS 9 – Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. Retrospective application is required but comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before February 1, 2015. The Fund is currently assessing the impact of IFRS 9 and plans to adopt the new standard on the required effective date.

##### IFRS 15 – Revenue from Contracts with Customers

IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after January 1, 2017 with early adoption permitted. The Fund is currently assessing the impact of IFRS 15 and plans to adopt the new standard on the required effective date.

### 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. The value of such securities on the statement of portfolio investments includes consideration of the creditworthiness of the issuer, and, accordingly represents the maximum credit risk exposure of the Fund.

Credit ratings below represent ratings of short term securities provided by Standard & Poor's and are subject to change, which could be material.

As at June 30, 2016 and 2015, the Fund invested in a range of debt securities with the following credit ratings:

US\$ CLASS	% of Portfolio	
	2016	2015
Short-term Securities by Credit Rating		
A-1+	66	67
A-1	34	31
A-2*	-	2
	100	100

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### Credit Risk (continued)

\* The A-2 credit rating group above consists of a collateralised deposit by the Fund with the Bank, which on June 30<sup>th</sup> 2016 was \$nil (2015: \$38,458,285) pursuant to a deposit agreement dated December 31, 2012. The Bank of New York Mellon (BONY) is the securities intermediary and maintains the collateral account, which is permitted to hold US Treasuries, Federal Agency Securities and US Agency Mortgage Backed Securities (MBS) as collateral. As of June 30, 2016, the Fund had no deposit with the Bank (2015: \$38,458,285) and the amount on the collateral account held with BONY was \$nil (2015: \$38,787,249).

CDN\$ CLASS	% of Portfolio	
	2016	2015
Short-term Securities by Credit Rating		
A-1+	68	74
A-1	32	26
	100	100

GBP£ CLASS	% of Portfolio	
	2016	2015
Short-term Securities by Credit Rating		
A-1+	94	88
A-1	6	12
	100	100

Substantially all of the assets of the Fund are held by 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, 2016, the credit ratings of the Custodian and the Bank, as provided by Standard and Poor's, were both BBB (2015 – BBB).

#### Currency Risk

Currency risk is the risk that the value of an investment will fluctuate due to changes in foreign exchange rates. As at June 30, 2016 and 2015, the Fund's US\$ Class, CDN\$ Class, GBP£ Class, and EUR€ Class did not have any significant exposure to currency risk. As at June 30, 2016 and 2015, all investments held in each Class were denominated in the currency of that Class.

# Butterfield Money Market Fund Limited

## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 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. Prices of fixed income securities generally increase when interest rates decline, and decrease when interest rates rise.

The table below summarizes the Fund's exposure to interest rate risk through its investments in fixed and floating rate notes, by the remaining term to maturity as at June 30, 2016 and 2015:

US\$ CLASS	% of Portfolio	
	2016	2015
Term to maturity		
0 – 1 month	46	32
1 – 3 months	41	46
4 – 6 months	11	17
7 – 12 months	2	5
	<b>100</b>	<b>100</b>

CDN\$ CLASS	% of Portfolio	
	2016	2015
Term to maturity		
0 – 1 month	46	40
1 – 3 months	43	48
4 – 6 months	11	9
7 – 12 months	-	3
	<b>100</b>	<b>100</b>

GBP£ CLASS	% of Portfolio	
	2016	2015
Term to maturity		
0 – 1 month	44	55
1 – 3 months	35	30
4 – 6 months	18	15
7 – 12 months	3	-
	<b>100</b>	<b>100</b>

As at June 30, 2016, had the interest rates increased or decreased by 25 basis points and assuming a parallel shift in the yield curve, net assets would have increased or decreased by approximately US\$3,281,008 (2015: US\$3,897,719) for the US\$ Class, CDN\$70,768 (2015: CDN\$112,451) for the CDN\$ Class and GBP£107,921 (2015: GBP£85,048) for the GBP£ Class.

#### 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 daily cash redemptions of redeemable common shares. The Fund maintains adequate liquidity through investments in the overnight market and cash and cash equivalent positions. The Fund also has a credit facility in place to assist in meeting short term liquidity requirements.

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### Price/Market Risk

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

### 4. FAIR VALUE OF FINANCIAL ASSETS

The Fund measures its investments in financial instruments at fair value at each reporting date. Refer to Note 2 (c) for details of how the investments are fair valued.

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 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.

All financial assets have been classified in Level 2 as all significant inputs used in the valuation technique are observable. Fair values of financial assets based on amortized cost approximate the financial asset's fair value.

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, 2016 and 2015. 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, 2016 and 2015. The Fund did not hold any Level 3 investments at the beginning, during, or at the end of the years ended June 30, 2016 and 2015.

### 5. SHARES ISSUED AND OUTSTANDING

As at June 30, 2016, the authorized share capital of the Fund is divided into US\$40,012,000 (2015:US\$40,012,000), CDN\$20,000,000 (2015: CDN\$20,000,000), and GBP£20,000,000 (2015: GBP£20,000,000) and further broken down into:

200,000,000 Sub-Class A participating, non-voting shares of a par value of US\$0.10 each share,  
200,000,000 Sub-Class B participating, non-voting shares of a par value of US\$0.10 each share,

100,000,000 Sub-Class A participating, non-voting shares of a par value of CDN\$0.10 each share,  
100,000,000 Sub-Class B participating, non-voting shares of a par value of CDN\$0.10 each share,  
100,000,000 Sub-Class A participating, non-voting shares of a par value of GBP£0.10 each share,  
100,000,000 Sub-Class B participating, non-voting shares of a par value of GBP£0.10 each share,

and 120,000 organisational non-participating, voting shares of a par value of US\$0.10 each share.

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

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

The 2015 breakdown was as follows:

200,000,000 Sub-Class A participating, non-voting shares of a par value of US\$0.10 each share,  
200,000,000 Sub-Class B participating, non-voting shares of a par value of US\$0.10 each share,

100,000,000 Sub-Class A participating, non-voting shares of a par value of CDN\$0.10 each share,  
100,000,000 Sub-Class B participating, non-voting shares of a par value of CDN\$0.10 each share,

100,000,000 Sub-Class A participating, non-voting shares of a par value of GBP£0.10 each share,  
100,000,000 Sub-Class B participating, non-voting shares of a par value of GBP£0.10 each share,

and 120,000 organizational non-participating, voting shares of a par value of US\$0.10 each share.

On December 8, 2014, the Fund cancelled the EUR€ Class shares and all Sub-Class D shares.

Organizational Shares are allocated to the Investment Adviser and its nominees. Under the Bye-Laws, the Organisational Shares have only nominal rights if and so long as there are any other shares of the Fund in issue.

The Fund plans to make a continuous offering of Shares on each valuation day (being any day that banks in Bermuda are open for business, excluding Saturdays) (each a "Valuation Day") at not less than the then net asset value.

Shares are allotted to subscribers at a value determined by reference to the daily valuation of the net assets of the relevant class of shares. The initial minimum amounts for subscriptions for the Sub-Class A Shares are US\$10,000, CDN\$10,000, and GBP£10,000. The initial minimum subscriptions for the Sub-Class B Shares are US\$5,000,000, CDN\$5,000,000, and GBP£5,000,000, subject to the discretion of the Directors to vary such minimum amounts from time to time. There are differences in the management fees payable to the Investment Adviser in respect of each class as described in Note 6a.

Shares may be redeemed for an amount equal to the net asset value on the day corresponding to the date of receipt of the properly completed request for redemption. The US\$ and CDN\$ shares may be redeemed on the same Valuation Day if the redemption request is received by 12:00 noon, or on the next Valuation Day if the redemption request is received after 12:00 noon. GBP£ shares may be redeemed on the next Valuation Day if the redemption request is received by 12:00 noon or on the second Valuation Day hence if the redemption request is received after 12:00 noon.

# Butterfield Money Market Fund Limited

## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

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

#### 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.

Details of shares issued and outstanding during 2016 and 2015 were as follows:

#### US\$ CLASS SUB-CLASS A

	2016	2015
<b>Common Shares</b>		
Balance - beginning of year	28,126,685	30,076,291
Issue of common shares	57,434,604	82,357,786
Redemption of common shares	(59,476,862)	(84,307,392)
Balance - end of year	26,084,427	28,126,685
Organisational shares	120,000	120,000

#### US\$ CLASS SUB-CLASS B

	2016	2015
<b>Common Shares</b>		
Balance - beginning of year	35,072,232	36,966,421
Issue of common shares	64,934,937	72,196,417
Redemption of common shares	(72,933,225)	(74,090,606)
Balance - end of year	27,073,944	35,072,232

#### CDN\$ CLASS SUB-CLASS A

	2016	2015
<b>Common Shares</b>		
Balance - beginning of year	2,000,542	2,718,189
Issue of common shares	1,971,410	2,152,303
Redemption of common shares	(2,323,606)	(2,869,950)
Balance - end of year	1,648,346	2,000,542

#### CDN\$ CLASS SUB-CLASS B

	2016	2015
<b>Common Shares</b>		
Balance - beginning of year	660,834	1,478,644
Issue of common shares	6,182,669	3,102,753
Redemption of common shares	(6,809,144)	(3,920,563)
Balance - end of year	34,359	660,834

# Butterfield Money Market Fund Limited

## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

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

#### GBP£ CLASS SUB-CLASS A

	2016	2015
<b>Common Shares</b>		
Balance - beginning of year	1,563,263	1,563,343
Issue of common shares	178,364	805,617
Redemption of common shares	(659,754)	(805,697)
Balance - end of year	1,081,873	1,563,263

#### GBP£ CLASS SUB-CLASS B

	2016	2015
<b>Common Shares</b>		
Balance - beginning of year	110,535	21,666
Issue of common shares	1,143,051	271,615
Redemption of common shares	(227,740)	(182,746)
Balance - end of year	1,025,846	110,535

#### EUR€ CLASS SUB-CLASS A

	2016	2015
<b>Common Shares</b>		
Balance - beginning of year	-	732,048
Issue of common shares	-	3,334
Redemption of common shares	-	(735,382)
Balance - end of year	-	-

#### EUR€ CLASS SUB-CLASS B

	2016	2015
<b>Common Shares</b>		
Balance - beginning of year	-	1,444,022
Issue of common shares	-	-
Redemption of common shares	-	(1,444,022)
Balance - end of year	-	-

# Butterfield Money Market Fund Limited

## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

### 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 daily fee calculated in respect of each day at the rate of no more than 1/365th part of 1% of the net asset value of the assets at the end of the day determined by reference to the most recent valuation. The fee attributable to the Sub-Class A shares is currently 1/365th of 0.35% of net asset value of the Sub-Class A shares, and is accrued daily and paid on the last Valuation Day of each month. The fee attributable to the Sub-Class B shares is currently 1/365th part of 0.25% of net asset value of the Sub-Class B shares, and is accrued daily and paid on the last Valuation Day of each month.

During the years ended June 30, 2016 and 2015, the management fee rates were temporarily amended. The rates used to calculate the daily management fee follows:

- US\$ Class - ranged from 0.104% to 0.21% for Sub-Class A (2015: from 0.05% to 0.10%) and from 0.089% to 0.17% for Sub-Class B (2015: from 0.04% to 0.09%);
- CDN\$ Class - ranged from 0.32% to 0.35% for Sub-Class A (2015: 0.35%) and 0.20% to 0.23% for Sub-Class B (2015: 0.16% to 0.20% );
- GBP£ Class - ranged from 0.245% to 0.32% for Sub-Class A (2015: from 0.16% to 0.29%) and from 0.175% to 0.25% for Sub-Class B (2015: from 0.14% to 0.25% );

Management fees are accrued daily and paid on the last valuation day of each month. Details of management fees charged and payable, as at June 30, 2016 and 2015 for each class are set out in the table below.

Class	Management fees charged during the year/period				Management fees payable at June 30			
	2016		2015		2016		2015	
US\$	\$	1,959,887	\$	1,002,194	\$	204,577	\$	117,952
CDN\$	\$	126,187	\$	165,456	\$	7,359	\$	12,599
GBP£	£	92,970	£	78,850	£	7,478	£	8,542
EUR€	€	-	€	-	€	-	€	-

Management fees payable at June 30, 2016 and 2015 are included in accrued expenses in the statements of financial position.

The Investment Adviser reserves the right to rebate or waive any portion of the management fee at its sole discretion. Management fees for the EUR€ class were waived for 2015. There was no management fee waiver for the USD\$, CDN\$ and GBP£ classes in either 2016 or 2015.

#### b) Custodian Fee

In accordance with the custodian agreement, the Custodian receives a fee based upon the nature and extent of the services provided. Relevant out-of-pocket expenses may also be charged to the Fund by the Custodian. Details of custodian fees charged and payable, as at June 30, 2016 and 2015 for each class are set out in the table below.

# Butterfield Money Market Fund Limited

## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

### 6. RELATED PARTY TRANSACTIONS (Continued)

#### b) Custodian Fee (continued)

Class	Custodian fees charged during the year/period				Custodian fees payable at June 30			
	2016		2015		2016		2015	
US\$	\$	397,085	\$	446,527	\$	30,768	\$	38,229
CDN\$	\$	11,611	\$	13,741	\$	638	\$	1,077
GBP£	£	9,446	£	9,094	£	977	£	738
EUR€	€	-	€	1,224	€	-	€	55

Custodian fees payable at June 30, 2016 and 2015 are included in accrued expenses in the statement of financial position.

#### c) Credit Facility

On July 15, 2014, the Fund renewed the unsecured credit facility with the Bank in the amounts of US\$40 million for the US\$ Class (2014: US\$40 million), CDN\$8 million for the CDN\$ Class (2014: CDN\$8 million), GBP£4 million for the GBP£ Class (2014: GBP£4 million) and EUR€3 million for the EUR€ Class (2014: EUR€4 million), limited to 10% of the net assets and also limited to a maximum of US\$40 million for the Fund as a whole, at any one time. The agreement bears an interest rate of 1% per annum above the higher of the LIBOR or the funding cost incurred by the Bank in making the revolving facility available on any date of drawdown with accrued interest payable monthly in arrears.

On June 26, 2015, the Fund renewed the unsecured credit facility with the Bank in the amounts of US\$40 million for the US\$ Class, CDN\$5 million for the CDN\$ Class and GBP£4 million for the GBP£ Class, limited to 10% of the net assets. The renewed credit facility bears an interest rate of 1% per annum above the higher of the LIBOR or the funding cost incurred by the Bank in making the revolving facility available on any date of drawdown. The full amount of any amount advanced under the revolving facility, together with the accrued interest and other amounts payable by the Fund to the Bank, is payable on the earlier of seven days following the utilization date or the expiry date, unless extended at the Bank's sole discretion. If any payment falls due and payable on a day which is not a business day the payment shall be made on the next following business day. The renewed unsecured credit facility expired on June 30, 2016.

On July 12, 2016 the Bank extended the credit facility limits from June 26, 2015 renewed agreement to August 15, 2016 in order to allow sufficient time to issue the new facility letters.

On August 30, 2016, the Fund renewed the unsecured credit facility agreement with the Bank. The terms remain unchanged from the previous agreement, as outlined above. The renewed unsecured facility expires on June 30, 2017.

# Butterfield Money Market Fund Limited

## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

### 6. RELATED PARTY TRANSACTIONS (Continued)

#### d) Registrar and Transfer Agent Fee

Certain registrar and transfer agent functions are performed by the Bank and fees were charged based upon the nature and extent of the services provided. Details of registrar and transfer agent fees charged and payable, as at June 30, 2016 and 2015 for each class are set out in the table below.

Class	Registrar and transfer agent fees charged during the year/period		Registrar and transfer agent fees payable at June 30	
	2016	2015	2016	2015
US\$	\$ 255,537	\$ 254,025	\$ 7,498	\$ 15,985
CDN\$	\$ 12,203	\$ 4,201	\$ (2,784)	\$ 269
GBP£	£ 3,721	£ 9,672	£ 3,591	£ 1,822
EUR€	€ -	€ 1,034	€ -	€ -

Registrar and transfer agent fees payable at June 30, 2016 and 2015 are included in accrued expenses in the statements of financial position.

#### e) Subsidy Income

During the period ended September 4, 2014, the EUR€ Class received subsidy income of EUR€4,871 from the Investment Adviser.

### 7. ADMINISTRATION FEE

In accordance with the administration agreement, the Administrator receives a fee based upon the nature and extent of the services provided. Details of administration fees charged and payable, as at June 30, 2016 and 2015 for each class are set out in the table below.

Class	Administration fees charged during the year/period		Administration fees payable at June 30	
	2016	2015	2016	2015
US\$	\$ 929,399	\$ 1,050,720	\$ 211,491	\$ 250,062
CDN\$	\$ 32,606	\$ 31,826	\$ 5,380	\$ 2,775
GBP£	£ 23,544	£ 20,289	£ 7,319	£ 4,275
EUR€	€ -	€ 2,530	€ -	€ -

Administration fees payable at June 30, 2016 and 2015 are included in accrued expenses in the statements of financial position.

### 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 exempts the Fund from any such Bermuda taxes until 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.

# Butterfield Money Market Fund Limited

## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

### 9. FINANCIAL HIGHLIGHTS

2016

#### US\$ CLASS

	Sub-Class A	Sub-Class B
<b>Per Share Information</b>		
Net asset value - beginning of year	\$ 24.4560	\$ 24.8408
Increase in net assets attributable to shareholders	0.0324	0.0385
Net asset value - end of year	24.4884	24.8793

#### Ratios / Supplemental Data

Total net assets - end of year (\$millions)	639	674
Average net assets (\$millions)*	647	779
Ratio of expenses to average net assets	0.28%	0.26%
Average net yield**	0.13%	0.15%

#### CDN\$ CLASS

	Sub-Class A	Sub-Class B
<b>Per Share Information</b>		
Net asset value - beginning of year	\$ 16.8118	\$ 17.1716
Increase in net assets attributable to shareholders	0.0108	0.0315
Net asset value - end of year	16.8226	17.2031

#### Ratios / Supplemental Data

Total net assets - end of year (\$millions)	27.73	0.59
Average net assets (\$millions)*	31.38	8.03
Ratio of expenses to average net assets	0.55%	0.43%
Average net yield**	0.06%	0.18%

# Butterfield Money Market Fund Limited

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## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

### 9. FINANCIAL HIGHLIGHTS (Continued)

2016

#### GBP£ CLASS

	Sub-Class A	Sub-Class B
<b>Per Share Information</b>		
Net asset value - beginning of year	£ 20.3016	£ 20.6506
Net increase in net assets attributable to shareholders	<b>0.0034</b>	<b>0.0163</b>
Net asset value - end of year	<b>20.3050</b>	<b>20.6669</b>
<b>Ratios / Supplemental Data</b>		
Total net assets - end of year (£millions)	<b>21.97</b>	<b>21.20</b>
Average net assets (£millions)*	<b>27.50</b>	<b>6.19</b>
Ratio of expenses to average net assets	<b>0.46%</b>	<b>0.34%</b>
Average net yield**	<b>0.02%</b>	<b>0.08%</b>

# Butterfield Money Market Fund Limited

## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

### 9. FINANCIAL HIGHLIGHTS (Continued)

2015

#### US\$ CLASS

	Sub-Class A	Sub-Class B
<b>Per Share Information</b>		
Net asset value - beginning of year	\$ 24.4549	\$ 24.8359
Increase in net assets attributable to shareholders	0.0011	0.0049
Net asset value - end of year	\$ 24.4560	\$ 24.8408

#### Ratios / Supplemental Data

Total net assets - end of year (\$millions)	688	871
Average net assets (\$millions)*	724	895
Ratio of expenses to average net assets	0.19%	0.17%
Average net yield**	0.00%	0.02%

#### CDN\$ CLASS

	Sub-Class A	Sub-Class B
<b>Per Share Information</b>		
Net asset value - beginning of year	\$ 16.7493	\$ 17.0804
Increase in net assets attributable to shareholders	0.0625	0.0912
Net asset value - end of year	\$ 16.8118	\$ 17.1716

#### Ratios / Supplemental Data

Total net assets - end of year (\$millions)	34	11
Average net assets (\$millions)*	40	11
Ratio of expenses to average net assets	0.53%	0.37%
Average net yield**	0.36%	0.52%

# Butterfield Money Market Fund Limited

## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended June 30, 2016

### 9. FINANCIAL HIGHLIGHTS (Continued)

2015

#### GBP£ CLASS

	Sub-Class A		Sub-Class B	
<b>Per Share Information</b>				
Net asset value - beginning of year	£	20.2980	£	20.6424
Net increase in net assets attributable to shareholders		0.0036		0.0082
Net asset value - end of year	£	20.3016	£	20.6506

#### Ratios / Supplemental Data

Total net assets - end of year (£millions)		32		2
Average net assets (£millions)*		32		2
Ratio of expenses to average net assets		0.39%		0.38%
Average net yield**		0.02%		0.04%

#### EUR€ CLASS

	Sub-Class A		Sub-Class B	
<b>Per Share Information</b>				
Net asset value - beginning of year/period	€	13.4183	€	13.5932
Net decrease in net assets attributable to shareholders		(13.4183)		(13.5932)
Net asset value - end of year/period	€	-	€	-

#### Ratios / Supplemental Data

Total net assets - end of year (€millions)		-		-
Average net assets (€millions)*		6		9
Ratio of expenses to average net assets (including subsidy)		0.02%		0.03%
Ratio of expenses to average net assets (excluding subsidy)		0.06%		0.06%
Average net yield**		0.00%		0.00%

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

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

# Butterfield Money Market Fund Limited

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## **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**For the year ended June 30, 2016**

### **10. COMMITMENTS AND CONTINGENCIES**

Management has determined that the Fund had no commitments or contingencies as at June 30, 2016 (2015: none).

### **11. SUBSEQUENT EVENTS**

The Fund has evaluated all the events or transactions that occurred after June 30, 2016 through October 6, 2016, the date the financial statements were available to be issued. During this period, the Fund did not have any material subsequent events.

### **12. APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the Directors on October 6, 2016.