

Butterfield International Balanced Fund

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2016

INDEPENDENT AUDITORS' REPORT

To the Trustee of Butterfield International Balanced Fund

We have audited the accompanying financial statements of Butterfield International Balanced Fund (the "Fund"), which comprise the statement of financial position, including the schedule of investments, as at June 30, 2016 and the statement of comprehensive income, statement of changes in net assets and statement of cash flows for the year then ended 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

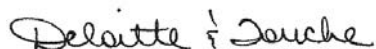
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether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

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

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

Opinion

In our opinion, the financial statements present fairly in all material respects, the financial position of Butterfield International Balanced Fund as of June 30, 2016, and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.



September 9, 2016

Butterfield International Balanced Fund

Trustee

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

Administrator, Registrar and Transfer Agent

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

Sub-Administrator

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

Investment Advisor

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

Custodian and Banker

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

Sales Agent

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

Auditors

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

Legal Advisors and Listing Agent

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

Butterfield International Balanced Fund



STATEMENT OF FINANCIAL POSITION

As at June 30, 2016

(Expressed in U.S. Dollars)

	Notes	June 30, 2016	June 30, 2015
ASSETS			
Financial assets at fair value through profit or loss (Cost 2016 - \$20,399,947; 2015 - \$24,327,033)	2, 3, 4	\$ 21,949,208	\$ 27,093,770
Cash and cash equivalents	2 i)	320,668	753,269
Bond interest receivable		43,124	59,680
Dividend income receivable		1,988	11,061
Prepaid expenses		4,328	4,356
Subscription receivable		-	20,000
		22,319,316	27,942,136
LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)			
Accrued expenses	6, 7	106,377	101,511
Redemptions payable		221,189	-
		327,566	101,511
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		\$ 21,991,750	\$ 27,840,625
Number of units in issue	5	901,271	1,138,102
NET ASSET VALUE PER UNIT		\$ 24.40	\$ 24.46

On behalf of the Trustee:

Butterfield Bank (Cayman) Limited
As Trustee

The accompanying notes form an integral part of these financial statements

Butterfield International Balanced Fund

STATEMENT OF COMPREHENSIVE INCOME For the year ended June 30, 2016 (Expressed in U.S. Dollars)

	Notes	June 30, 2016	June 30, 2015
Income			
Bond interest income	2	\$ 209,550	\$ 250,699
Dividend income	2	396,090	413,618
Net realised gains on financial assets at fair value through profit or loss		907,009	694,317
Net change in unrealised losses on financial assets at fair value through profit or loss		(1,217,476)	(1,096,280)
Net foreign currency losses	2	(8,049)	(10,144)
Interest income		131	318
Total income		287,255	252,528
Expenses			
Management fees	6	164,278	186,719
Administration fees	7	40,988	45,635
Custodian fees	6	63,184	71,815
Audit and legal fees		26,048	23,970
Sundry expenses		13,468	14,486
Total expenses		307,966	342,625
Net investment loss		(20,711)	(90,097)
Withholding tax on dividend income		(110,445)	(105,533)
Decrease in net assets attributable to unit holders from operations		\$ (131,156)	\$ (195,630)

The accompanying notes form an integral part of these financial statements

Butterfield International Balanced Fund

STATEMENT OF CHANGES IN NET ASSETS

For the year ended June 30, 2016

(Expressed in U.S. Dollars)

	June 30, 2016	June 30, 2015
Decrease in net assets attributable to unit holders from operations	\$ (131,156)	\$ (195,630)
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Capital transactions		
Issuance of units	793,100	1,572,806
Redemption of units	(6,510,819)	(3,523,830)
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Decrease in net assets attributable to unit holders from capital transactions	(5,717,719)	(1,951,024)
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Net decrease in net assets attributable to unit holders	(5,848,875)	(2,146,654)
Net assets attributable to unit holders – beginning of year	27,840,625	29,987,279
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Net assets attributable to unit holders – end of year	\$ 21,991,750	\$ 27,840,625
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The accompanying notes form an integral part of these financial statements

Butterfield International Balanced Fund

STATEMENT OF CASH FLOWS

For the year ended June 30, 2016

(Expressed in U.S. Dollars)

	June 30, 2016	June 30, 2015
Cash flows from operating activities		
Decrease in net assets attributable to unit holders from operations	\$ (131,156)	\$ (195,630)
<i>Adjustments for:</i>		
Purchase of financial assets	(4,747,088)	(6,012,445)
Net proceeds from sale of financial assets	9,581,183	8,277,752
Net realised gains on financial assets at fair value through profit or loss	(907,009)	(694,317)
Net change in unrealized loss on financial assets at fair value through profit or loss	1,217,476	1,096,280
Changes in:		
Bond interest receivable	16,556	7,603
Dividend income receivable	9,073	29,949
Prepaid expenses	28	75
Accrued expenses	4,866	(335)
Net cash provided by operating activities	5,043,929	2,508,932
Cash flows from financing activities		
Subscription receivable	20,000	(20,000)
Redemptions payable	221,189	(490,800)
Subscriptions received in advance	-	(50,000)
Proceeds from issuance of units	793,100	1,572,806
Paid on redemption of units	(6,510,819)	(3,523,830)
Net cash used in financing activities	(5,476,530)	(2,511,824)
Net decrease in cash and cash equivalents	(432,601)	(2,892)
Cash and cash equivalents – beginning of year	753,269	756,161
Cash and cash equivalents – end of year	\$ 320,668	\$ 753,269
Supplemental cash flow information:		
Interest received	\$ 226,237	\$ 258,302
Dividend received, net of withholding taxes	294,718	338,034

The accompanying notes form an integral part of these financial statements

Butterfield International Balanced Fund

SCHEDULE OF INVESTMENTS

As at June 30, 2016

(Expressed in U.S. Dollars)

Financial assets	Holding/ Shares	Cost	Fair Value	% of Portfolio
Equities – Europe				
Bayerische Motoren Werke AG	1,220	\$ 135,174	\$ 89,554	0.41%
E.ON SE	7,820	74,438	78,759	0.36%
Fresenius SE & Company	8,670	371,388	634,970	2.89%
Total SA	7,100	401,580	341,970	1.56%
Total Equities - Europe		\$ 982,580	\$ 1,145,253	5.22%
Equities – Switzerland				
Nestle SA	5,000	\$ 243,102	\$ 384,990	1.75%
Novartis AG	8,020	528,348	658,610	3.00%
Total Equities - Switzerland		\$ 771,450	\$ 1,043,600	4.75%
Equities/ADRs – United States				
Amazon.com, Inc.	310	\$ 183,027	\$ 221,842	1.01%
BHP Billiton LTD - Sponsored ADR	1,070	64,832	30,559	0.14%
Boeing Co.	1,700	215,848	220,779	1.01%
Chevron Corp.	3,555	322,195	372,671	1.70%
Cisco Systems Inc.	15,780	326,579	452,728	2.06%
Fedex Corp.	1,080	96,093	163,922	0.75%
Ingersoll Rand Plc	3,240	174,318	206,323	0.94%
Microsoft Corp.	10,400	310,961	532,168	2.42%
Mondelez International Inc.	9,150	419,877	416,417	1.90%
NXP Semiconductors NV	5,640	435,737	441,838	2.01%
Oracle Corp.	12,700	486,945	519,811	2.37%
PepsiCo, Inc.	3,780	263,256	400,454	1.82%
Pfizer Inc.	18,640	632,816	656,314	2.99%
Procter & Gamble Co.	4,710	281,134	398,796	1.82%
Royal Dutch Shell Plc - ADR	6,590	473,038	363,900	1.66%
TJX Companies Inc.	3,200	228,811	247,136	1.12%
Walt Disney Co.	1,280	85,918	125,210	0.57%
Total Equities/ADRs – United States		\$ 5,001,385	\$ 5,770,868	26.29%
Total Equities/ADRs		\$ 6,755,415	\$ 7,959,721	36.26%

The accompanying notes form an integral part of these financial statements

Butterfield International Balanced Fund

SCHEDULE OF INVESTMENTS (CONTINUED)

As at June 30, 2016

(Expressed in U.S. Dollars)

Financial assets	Holding/ Shares	Cost	Fair Value	% of Portfolio
Fixed Income Securities – Australia				
Westpac Banking Corp 2.450% 11/28/16	365,000	\$ 370,840	\$ 367,340	1.67%
Total Fixed Income Securities – Australia		\$ 370,840	\$ 367,340	1.67%
Fixed Income Securities – Canada				
Bank of Nova Scotia 1.850% 04/14/20	400,000	\$ 399,020	\$ 406,092	1.85%
Caisse Centrale Desjardn 1.600% 03/06/17	699,000	701,209	702,097	3.20%
Ontario (Province of) 2.000% 01/30/19	580,000	585,562	593,908	2.71%
Royal Bank of Canada 2.150% 03/06/20	500,000	504,905	511,615	2.33%
Total Canada Capital Ltd 1.450% 01/15/18	450,000	446,882	453,020	2.06%
Total Fixed Income Securities – Canada		\$ 2,637,578	\$ 2,666,732	12.15%
Fixed Income Securities – Europe				
Agence Francaise Develop 2.000% 03/18/19	420,000	\$ 417,148	\$ 430,718	1.96%
Bk Nederlandse Gemeenten 1.875% 06/11/19	500,000	499,750	512,145	2.34%
European Investment Bank 1.250% 10/14/16	300,000	299,430	300,540	1.37%
Neder Waterschapsbank 1.625% 03/04/20	500,000	495,975	507,385	2.31%
Shell International Finance 2.000% 11/15/18	330,000	332,280	335,973	1.53%
Statoil ASA 3.125% 08/17/17	300,000	311,994	307,167	1.40%
Total Fixed Income Securities – Europe		\$ 2,356,577	\$ 2,393,928	10.91%
Fixed Income Securities – United States				
American Honda Finance 2.125% 10/10/18	200,000	\$ 202,228	\$ 204,904	0.93%
Chevron Corp 1.365% 03/02/18	400,000	401,440	402,288	1.83%
Fannie Mae 1.875% 02/19/19	350,000	353,696	360,056	1.64%
Federal Home Loan Bank 4.750% 12/16/16	350,000	411,361	356,832	1.63%
Freddie Mac 1.000% 03/08/17	125,000	124,238	125,380	0.57%
JPMorgan Chase & Co FLT 01/23/20	400,000	406,832	398,748	1.82%
Morgan Stanley 2.125% 04/25/18	350,000	349,937	353,896	1.61%
Novartis Capital Corp 4.000% 04/24/20	600,000	669,419	668,778	3.05%
Wells Fargo & Company 2.125% 04/22/19	350,000	350,732	357,900	1.63%
Total Fixed Income Securities – United States		\$ 3,269,883	\$ 3,228,782	14.71%
Total Fixed Income Securities		\$ 8,634,878	\$ 8,656,782	39.44%

The accompanying notes form an integral part of these financial statements

Butterfield International Balanced Fund

SCHEDULE OF INVESTMENTS (CONTINUED)

As at June 30, 2016

(Expressed in U.S. Dollars)

Financial assets	Holding/ Shares	Cost	Fair Value	% of Portfolio
Exchange Traded Funds – United States				
Financial Select Sector SPDR Fund	40,050	\$ 826,852	\$ 915,339	4.17%
iShares S&P Global Financials ETF	15,680	731,199	749,504	3.42%
iShares S&P Global Industrials ETF	2,400	116,009	166,704	0.76%
iShares S&P Global Telecommunications ETF	2,580	172,527	163,030	0.74%
iShares NASDAQ Biotechnology Fund	1,585	281,117	407,884	1.86%
Technology Select Sect SPDR	17,110	700,972	742,061	3.38%
Vaneck Vectors Oil Services	10,700	478,577	312,975	1.43%
Vanguard Consumer Discretionary Fund	2,390	230,178	291,532	1.33%
Vanguard Consumer Staple ETF	2,580	291,204	364,322	1.66%
Vanguard FTSE Emerging Market ETF	9,800	390,505	345,254	1.57%
Vanguard Industrials ETF	2,125	115,109	225,824	1.03%
Vanguard Materials ETF	3,480	333,818	356,456	1.62%
Wisdomtree Japan Hedged Equity Fund	7,525	341,587	291,820	1.33%
Total Exchange Traded Funds – United States		\$ 5,009,654	\$ 5,332,705	24.30%
Total Exchange Traded Funds		\$ 5,009,654	\$ 5,332,705	24.30%
Total financial assets at fair value through profit or loss		\$ 20,399,947	\$ 21,949,208	100.00%

The accompanying notes form an integral part of these financial statements

Butterfield International Balanced Fund

SCHEDULE OF INVESTMENTS (CONTINUED)

As at June 30, 2015

(Expressed in U.S. Dollars)

Financial assets	Holding/ Shares	Cost	Fair Value	% of Portfolio
Equities – Europe				
Bayerische Motoren Werke AG	2,500	\$ 276,995	\$ 274,528	1.01%
Fresenius SE & Company	11,090	457,026	715,019	2.64%
Total SA	8,100	458,141	393,397	1.45%
Total Equities - Europe		\$ 1,192,162	\$ 1,382,944	5.10%
Equities – Switzerland				
Nestle SA	5,410	\$ 263,036	\$ 390,353	1.44%
Novartis AG	6,120	373,902	602,841	2.23%
Total Equities - Switzerland		\$ 636,938	\$ 993,194	3.67%
Equities/ADRs – United States				
BHP Billiton LTD - Sponsored ADR	2,000	\$ 121,180	\$ 81,420	0.30%
Caterpillar Inc.	2,930	285,993	248,523	0.92%
Chevron Corp.	4,600	412,276	443,762	1.64%
Cisco Systems Inc.	18,270	378,112	501,694	1.85%
Fedex Corp.	2,120	188,627	361,248	1.33%
Intel Corp.	11,950	334,393	363,459	1.34%
Kellogg Co.	4,490	282,890	281,523	1.04%
Microsoft Corp.	11,320	317,102	499,778	1.84%
PepsiCo Inc.	4,930	340,556	460,167	1.70%
Procter & Gamble Co.	4,970	295,880	388,853	1.44%
Royal Dutch Shell Plc - ADR	8,030	576,403	457,790	1.69%
South 32-ADR-W/I	800	8,618	5,368	0.02%
Walt Disney Co.	3,340	224,193	381,228	1.41%
Zimmer Holdings Inc.	5,640	321,413	616,057	2.27%
Total Equities/ADRs – United States		\$ 4,087,636	\$ 5,090,870	18.79%
Total Equities/ADRs		\$ 5,916,736	\$ 7,467,008	27.56%

The accompanying notes form an integral part of these financial statements

Butterfield International Balanced Fund

SCHEDULE OF INVESTMENTS (CONTINUED)

As at June 30, 2015

(Expressed in U.S. Dollars)

Financial assets	Holding/ Shares	Cost	Fair Value	% of Portfolio
Fixed Income Securities – Australia				
Westpac Banking Corp 2.450% 11/28/16	365,000	\$ 370,840	\$ 372,910	1.38%
Total Fixed Income Securities – Australia		\$ 370,840	\$ 372,910	1.38%
Fixed Income Securities – Canada				
Bank of Montreal 2.625% 01/25/16	595,000	\$ 628,778	\$ 602,009	2.22%
Bank of Nova Scotia 2.050% 10/07/15	500,000	500,945	501,890	1.85%
Caisse Centrale Desjardn 1.600% 03/06/20	699,000	701,209	706,535	2.61%
Ontario (Province of) 2.000% 01/30/19	1,080,000	1,090,357	1,096,879	4.05%
Royal Bank of Canada 2.150% 03/06/20	500,000	504,905	498,790	1.84%
Total Fixed Income Securities – Canada		\$ 3,426,194	\$ 3,406,103	12.57%
Fixed Income Securities – Europe				
Agence Francaise Develop 2.000% 03/18/19	420,000	\$ 417,148	\$ 427,500	1.58%
Bk Nederlandse Gemeenten 1.875% 06/11/19	500,000	499,750	506,230	1.87%
Caisse Francaise De Fin 5.250% 02/16/17	200,000	229,160	213,486	0.79%
European Investment Bank 1.250% 10/14/16	300,000	299,430	302,670	1.12%
Neder Waterschapsbank 1.625% 03/04/20	500,000	495,975	496,290	1.83%
Shell International Finance 2.000% 11/15/18	330,000	332,280	334,382	1.23%
Sparebank 1 Boligkreditt 1.250% 05/02/18	200,000	195,616	198,976	0.73%
Statoil ASA 3.125% 08/17/17	300,000	311,994	311,325	1.15%
Total Capital International SA 0.750% 01/25/16	175,000	175,021	175,298	0.65%
Total Fixed Income Securities – Europe		\$ 2,956,374	\$ 2,966,157	10.95%
Fixed Income Securities – United States				
American Honda Finance 2.125% 10/10/18	200,000	\$ 202,228	\$ 202,672	0.75%
Bank of America Corp 1.250% 01/11/16	550,000	549,197	551,122	2.03%
Fannie Mae 1.875% 02/19/19	350,000	353,696	356,300	1.32%
Federal Home Loan Bank 4.750% 12/16/16	350,000	411,361	371,291	1.37%
Freddie Mac 1.000% 03/08/17	125,000	124,238	125,820	0.46%
JPMorgan Chase & Co FLT 01/23/20	600,000	610,248	606,204	2.24%
Morgan Stanley 2.125% 04/25/18	450,000	449,919	453,402	1.67%
Novartis Capital Corp 4.000% 04/24/20	600,000	669,420	662,850	2.45%
Wells Fargo & Company 2.125% 04/22/19	550,000	551,150	551,051	2.03%
Total Fixed Income Securities – United States		\$ 3,921,457	\$ 3,880,712	14.32%
Total Fixed Income Securities		\$ 10,674,865	\$ 10,625,882	39.22%

The accompanying notes form an integral part of these financial statements

Butterfield International Balanced Fund

SCHEDULE OF INVESTMENTS (CONTINUED)

As at June 30, 2015

(Expressed in U.S. Dollars)

Financial assets	Holding/ Shares	Cost	Fair Value	% of Portfolio
Exchange Traded Funds – United States				
Financial Select Sector SPDR Fund	39,940	\$ 810,891	\$ 973,737	3.59%
Health Care Select Sector	5,750	288,174	427,743	1.58%
iShares NASDAQ Biotechnology Fund	1,505	240,770	555,300	2.05%
iShares S&P Global Financials ETF	20,160	940,113	1,154,764	4.26%
iShares S&P Global Industrials ETF	2,680	129,544	188,296	0.69%
iShares S&P Global Telecommunications ETF	3,132	209,425	194,609	0.72%
iShares S&P Global Utilities ETF	2,731	116,666	121,114	0.45%
Market Vectors Oil Service ETF	17,075	763,711	595,918	2.20%
Technology Select Sect SPDR	45,010	1,846,102	1,863,414	6.88%
Vanguard Consumer Discretionary Fund	5,350	515,252	664,577	2.45%
Vanguard Consumer Staple ETF	4,710	531,617	588,232	2.17%
Vanguard FTSE Emerging Market ETF	9,800	390,505	400,624	1.48%
Vanguard Industrials ETF	3,560	192,842	372,768	1.38%
Vanguard Materials ETF	4,360	418,232	469,354	1.73%
Wisdomtree Japan Hedged Equity Fund	7,525	341,588	430,430	1.59%
Total Exchange Traded Funds – United States		\$ 7,735,432	\$ 9,000,880	33.22%
Total Exchange Traded Funds		\$ 7,735,432	\$ 9,000,880	33.22%
Total financial assets at fair value through profit or loss		\$ 24,327,033	\$ 27,093,770	100.00%

The accompanying notes form an integral part of these financial statements

Butterfield International Balanced Fund

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2016

(Expressed in U.S. Dollars)

1. CORPORATE INFORMATION

Butterfield International Balanced Fund (the "Fund") was established as an open-ended multi-class Unit Trust under the laws of the Cayman Islands by a Trust Deed dated June 18, 1996 (the "Trust Deed ") executed by Butterfield Bank (Cayman) Limited as trustee (the "Trustee" and "Investment Advisor") and Butterfield Fund Services (Cayman) Limited (subsequently Butterfield Fulcrum Group (Cayman) Limited and MUFG Fund Services (Cayman) Limited) as manager (the "Manager"). The Fund commenced operations on July 17, 1996 and is registered as a Mutual Fund under the Mutual Funds Law of the Cayman Islands. On January 30, 1998 the Fund was listed on the Cayman Islands Stock Exchange. On January 18, 2000, the Fund was listed on the Bermuda Stock Exchange.

On December 15, 2008 the Trust amended and restated the Trust Deed for the Fund, in which Butterfield Fulcrum Group (Cayman) Limited ceased being the Fund's Manager, and was immediately reappointed as the Fund's Administrator. Certain powers which had been delegated by the Trustee to the Manager were re-assumed by the Trustee.

On December 15, 2008 Butterfield Fulcrum Group (Cayman) Limited was appointed as the Fund's Administrator. On September 20, 2013, Butterfield Fulcrum Group (Cayman) Limited was acquired by Mitsubishi UFJ Financial Group and changed its name to MUFG Fund Services (Cayman) Limited and remains the Administrator of the Fund.

The Fund's objective is to achieve long-term capital growth by investing in a global portfolio of money market instruments, euro bonds, government bonds and equities.

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 and financial liabilities held at fair value through profit or loss.

The financial statements are represented 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.

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) Investment entities

IFRS 10 defines 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.

Butterfield International Balanced Fund

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2016

(Expressed in U.S. Dollars)

2. BASIS OF PREPARATION (CONTINUED)

Summary of significant accounting policies (continued)

b) Investment entities (continued)

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 the fair value through profit or loss.

c) 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 subdivided 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 equities, debentures and other interest bearing investments and derivatives. These assets are acquired principally for the purpose of generating a profit from short-term fluctuations in price. All derivatives, debentures and liabilities from short sales of financial instruments are classified as held for trading. The Fund's policy is not to apply hedge accounting.

Financial instruments designated at fair value through profit or loss upon initial recognition: these include equity securities and 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 during the years ended 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.

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.

Butterfield International Balanced Fund

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2016

(Expressed in U.S. Dollars)

2. BASIS OF PREPARATION (CONTINUED)

Summary of significant accounting policies (continued)

c) Financial instruments (continued)

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 (other than those classified as held for trading) 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 dividends 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.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instruments, but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Butterfield International Balanced Fund

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2016

(Expressed in U.S. Dollars)

2. BASIS OF PREPARATION (CONTINUED)

Summary of significant accounting policies (continued)

c) Financial instruments (continued)

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 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.

d) Fair value measurement

The Fund measures its investments in financial instruments, such as investment funds, exchange traded funds, equities, debentures and other interest bearing investments and derivatives, at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Fund.

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 (bid price for long positions and ask price for short positions), without any deduction for transaction costs. Securities defined in these accounts as 'listed' are traded in an active market. It is the policy of the Fund to value listed securities at closing market prices prevailing at the close of business on the Valuation Day.

e) Impairment of financial assets

The Fund assesses at each reporting date whether a financial asset or group of financial assets classified as receivables 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.

Butterfield International Balanced Fund

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2016

(Expressed in U.S. Dollars)

2. BASIS OF PREPARATION (CONTINUED)

Summary of significant accounting policies (continued)

e) Impairment of financial assets (continued)

Evidence of impairment may include indications that the debtor or a group of debtors 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.

f) Functional and presentation currency

The Fund's functional currency is the United States 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 United States Dollars. Therefore, the United States 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 United States Dollar.

g) 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.

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.

h) 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.

i) 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.

j) 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.

Butterfield International Balanced Fund

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2016

(Expressed in U.S. Dollars)

2. BASIS OF PREPARATION (CONTINUED)

Summary of significant accounting policies (continued)

k) 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.

l) Realised and change in unrealised gains and losses

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

m) Expenses

All expenses (including management fees) are recognized in the Statement of Comprehensive Income.

n) Going concern

The Fund's management has made an assessment of 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.

o) Redeemable units

Units are redeemable at the unit holder's option and are classified as financial liabilities. Transactions in these units take place with the investment advisor, registrar and transfer agent rather than the exchange. The redeemable units can be put back to the Fund on any dealing day (normally the next business day following the Valuation Day, which is on Wednesday in each week) for cash equal to a proportionate unit of the Fund's net asset value ("NAV"). The Fund's net asset value per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding redeemable units.

p) Impact of accounting pronouncements issued but not yet effective

The only new standard relevant to the Fund is IFRS 9 'Financial Instruments'.

IFRS 9, published in July 2014, will replace the existing guidance in IAS 39. It includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating the impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

IFRS 9 is effective for annual reporting periods beginning on or after January 1, 2018, with early adoption permitted. The Fund plans to adopt IFRS 9 when it becomes effective and is currently evaluating its impact.

Butterfield International Balanced Fund

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2016

(Expressed in U.S. Dollars)

3. FINANCIAL RISK MANAGEMENT

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

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

The nature and extent of the financial instruments outstanding at the Statement of Financial Position date and the risk management policies employed by the Fund are discussed below:

a) Market Risk

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

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

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

Currency Risk

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

At June 30, 2016, if the exchange rates of relevant foreign currencies against the US Dollar had been 10% higher or lower with all other variables held constant, the net assets of the Fund would have increased/decreased by \$219,026 (2015: \$238,170). 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in exchange rates.

Butterfield International Balanced Fund

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2016

(Expressed in U.S. Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

a) Market Risk (continued)

Currency Risk (continued)

As at June 30, 2016 and 2015, the Fund has the following currency exposure in US Dollar equivalents:

	2016	% of Net	2015	% of Net
	USD	Assets	USD	Assets
CHF	1,043,600	4.75%	993,194	3.57%
EUR	1,145,253	5.21%	1,386,800	4.98%
GBP	1,404	0.01%	1,705	0.01%
Total	2,190,257	9.97%	2,381,699	8.56%

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Fund's exposure to changes in interest rates relates primarily to the Fund's investments in fixed income securities. Fixed income securities account for 39.36% of the Fund's Net Asset Value (2015: 38.17%). As a result, the Fund is subject to fair value interest rate risk due to possible fluctuations in the prevailing levels of market interest rates.

The Fund's exposure to cash flow interest rate risk is limited to cash and cash equivalents of \$320,668 (2015: \$753,269) for the Fund (1.46% of Net Assets (2015: 2.71%)). The Fund believes these balances do not expose the Fund to significant sensitivity to cash flow interest rate risk.

As at June 30, 2016, the carrying amount of the Fund's financial assets that bear fixed rates of interest amounted to \$8,656,782 (2015: \$10,625,882). As at June 30, 2016, if long term market interest rates had been 0.5% lower or higher with the other variables held constant, the net assets would have been \$97,434 (2015: \$139,823) higher or lower for the Fund resulting from changes in fair values of such financial assets. 0.5% is the sensitivity rate used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible changes in market interest rates.

Price Risk

Price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate or currency risk), whether caused by factors specific to a particular instrument, its issuer or all factors affecting all instruments traded in the market. The Fund is exposed to equity price risk on its equity investments and exchange traded funds.

Price risk is managed by the Fund's Investment Advisor by constructing a diversified portfolio of investments traded on various markets. All of the Fund's equity investments at June 30, 2016 and 2015 are listed on stock exchanges.

As at June 30, 2016, the fair value of the Fund's investments in securities that are exposed to movement in equity prices amounted to \$13,292,426 (2015: \$16,467,888).

Butterfield International Balanced Fund

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2016

(Expressed in U.S. Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

a) Market Risk (continued)

Price Risk (continued)

The Fund estimates that a reasonably possible movement in its equity portfolio for the Fund is calculated using the average performance of the Fund's benchmark, which is also the Fund's effective rate, over the past eight years of 7% (2015: 8%) adjusted to correlate to the actual investment portfolio held.

As at June 30, 2016, if the benchmark equity market prices had been 7% (2015: 8%) higher or lower with all other variables held constant, the Fund's net assets would have been \$888,168 higher or \$832,526 lower (2015: \$1,226,129 higher or 1,141,144 lower). The adjusted rate is the rate used when reporting price risk internally to key management personnel for the Fund.

b) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund.

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

Credit risk arising on transactions with brokers relates to transactions awaiting settlement. Risk related to unsettled transactions, including dividends and interest accrued, is considered to be low due to the short settlement period involved and the high credit quality of the brokers used. The Fund monitors the credit rating of its brokers to mitigate this risk.

At the reporting date, the Fund's financial assets exposed to credit risk were as follows in USD:

	Carrying amount	
	2016	2015
Financial assets at fair value (Fixed income securities)	\$ 8,656,782	\$ 10,625,882
Cash and cash equivalents	\$ 320,668	\$ 753,269
Bond interest receivable	\$ 43,124	\$ 59,680
Dividend income receivable	\$ 1,988	\$ 11,061

At the reporting date, the USD values of the fixed income securities exposed to credit risk stratified by credit rating are as follows:

Credit Rating	2016		2015	
	Market Value	Percentage	Market Value	Percentage
AAA	\$ 2,795,599	32.29%	\$ 2,183,100	20.55%
AA+	842,268	9.73%	2,069,416	19.48%
AA	430,718	4.98%	427,501	4.02%
AA-	1,582,681	18.28%	1,982,645	18.66%
A+	1,558,999	18.00%	2,352,492	22.14%
A	693,873	8.02%	606,204	5.70%
A-	398,748	4.61%	1,004,524	9.45%
BBB+	353,896	4.09%	-	-
	\$ 8,656,782	100.00%	\$ 10,625,882	100.00%

Butterfield International Balanced Fund

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2016

(Expressed in U.S. Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

c) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Fund's financial liabilities at June 30, 2016 represent 1.49% of the Fund's Net Assets (2015: 0.36%) and fall due not later than one month. The Fund does not anticipate any significant liquidity concerns in funding redemption requests and other liabilities. The Fund's constitution provides for the weekly subscription and redemption of units and it is therefore exposed to the liquidity risk of meeting unit holders' redemptions. However, all of the Fund's investments at June 30, 2016 and 2015 are actively traded. As such, they are considered to be highly realisable, mitigating the liquidity risk of the Fund as at June 30, 2016 and 2015.

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

4. FAIR VALUE OF FINANCIAL ASSETS

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

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

June 30, 2016

	Level 1	Level 2	Level 3	Total
Financial Assets				
Equities/ADRs	\$ 7,959,721	\$ -	\$ -	\$ 7,959,721
Fixed Income Securities	-	8,656,782	-	8,656,782
Exchange Traded Funds	5,332,705	-	-	5,332,705
Total Financial Assets	\$ 13,292,426	\$ 8,656,782	\$ -	\$ 21,949,208

June 30, 2015

	Level 1	Level 2	Level 3	Total
Financial Assets				
Equities/ADRs	\$ 7,467,008	\$ -	\$ -	\$ 7,467,008
Fixed Income Securities	-	10,625,882	-	10,625,882
Exchange Traded Funds	9,000,880	-	-	9,000,880
Total Financial Assets	\$ 16,467,888	\$ 10,625,882	\$ -	\$ 27,093,770

Butterfield International Balanced Fund

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2016

(Expressed in U.S. Dollars)

4. FAIR VALUE OF FINANCIAL ASSETS (continued)

Transfers of assets between Level 1 and Level 2

Financial assets and liabilities transferred from Level 1 to Level 2 are the result of the securities no longer being quoted in an active market. There were no transfers of financial assets and liabilities from Level 1 to Level 2 in the current or prior year. Financial assets and liabilities transferred from Level 2 to Level 1 might arise primarily as a result of the securities now being traded in an active market. There were no transfers of financial assets and liabilities from Level 2 to Level 1 in 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. UNITHOLDERS CAPITAL

The Fund may issue an unlimited number of units, which are redeemable at the option of the unit holders.

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

	2016	2015
	No. of Units	No. of Units
Balance - beginning of year	1,138,102	1,216,874
Issue of units	33,068	64,260
Redemption of units	(269,899)	(143,032)
Balance - end of year	901,271	1,138,102

6. RELATED PARTY TRANSACTIONS

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

Custodian fees charged for the year ended June 30, 2016 were \$63,184 (2015: \$71,815) for the Fund, of which \$21,120 (2015: \$17,703) remained payable at year end and is included in accrued expenses.

Butterfield Bank (Cayman) Limited (the "Investment Advisor") is entitled to receive a management fee for providing investment advice to the Fund, calculated at a rate of 0.65% per annum of net asset value of the Fund calculated and accrued weekly.

Management fees for the year ended June 30, 2016 were \$164,278 (2015: \$186,719) for the Fund, of which \$54,911 (2015: \$46,029) remained payable at year end and is included in accrued expenses.

Employees of the Investment Advisor, its parent company and other affiliated companies, and their immediate family members may hold units of the Fund. These investment holdings are not significant to the Fund.

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 \$40,988 (2015: \$45,635) of which \$5,324 (2015: \$9,846) was payable at year end and is included in accrued expenses.

Butterfield International Balanced Fund

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) For the year ended June 30, 2016 (Expressed in U.S. Dollars)

8. FINANCIAL HIGHLIGHTS

Per unit operating performance
(For a unit outstanding throughout the year)

Per Unit Information	2016	2015
Net asset value, beginning of year	\$ 24.46	\$ 24.64
Income from investment operations		
Net investment income	0.19	0.19
Net realised and unrealised (loss)/gain on financial assets and foreign currency	(0.25)	(0.37)
Total from investment operations	(0.06)	(0.18)
Net asset value, end of year	\$ 24.40	\$ 24.46
Total return	(0.25)%	(0.73)%

Ratios/supplemental data

Net assets, end of year	\$ 21,991,750	\$ 27,840,625
Ratio of expenses to weighted average net assets	1.22%	1.19%
Ratio of net investment income to weighted average net assets	0.74%	0.75%
Portfolio turnover rate*	20.93%	21.21%

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

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

9. SUBSEQUENT EVENTS

The Fund has evaluated all the events or transactions that occurred after June 30, 2016 through September 9, 2016, the date the financial statements were available to be issued. During this period, the Fund did not have any material recognizable subsequent events.

10. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorized for issue by the Trustee on September 9, 2016.