

Butterfield Select Fund Limited

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2019

INVESTMENT MANAGER'S REPORT

For the year ended June 30, 2019

Equity Class

The net asset value (NAV) per share increased from \$15.79 to \$16.76 over the fiscal year to 30 June, 2019, representing a 6.14% return for the year, net of all fees and expenses. The benchmark for the Class, the MSCI World Free Net Total Return Index returned 6.33%.

Global equities were volatile over the course of the year, with a combination of higher US interest rates and a broad based global growth slowdown leading to a particularly weak fourth quarter of 2018. Markets recovered strongly in the first half of 2019, driven by easier monetary policy and a resilient US economy.

US equity markets outperformed the rest of the world, returning 9.60% (MSCI USA Net Total Return Index), whilst Asia Pacific excluding Japan also outperformed, returning 8.06% (MSCI Asia Pacific ex Japan Net Total Return), versus 6.33% for the broad global equity index. All other regions lagged, with Japan the weakest market, followed by the UK and Emerging Markets.

Four out of five of our core global equity funds outperformed their respective benchmarks. Three of the five, American Century Global Growth, BNY Mellon Long Term Global Equity and MFS Global Equity, all outperformed by more than 4.00%. Performance was driven by a combination of stock selection and style exposure. The growth investment style notably outperformed the value style over the period and this was a favorable tailwind for a number of the managers.

The value oriented investment style was a headwind for the Artisan Value fund. Alphabet and Facebook were key underperformers in the portfolio. Both stocks have seen valuations fall over recent years such that they can now be considered value stocks relative to the broad based technology sub-sector. The fund is sticking to a well-defined process so we remain comfortable with the holding, which is scaled smaller than our core positions.

Global Fixed Income Class

The net asset value (NAV) per share increased from \$19.89 to \$21.39 over the fiscal year to 30 June 2019, representing a 7.54% return for the year, net of all fees and expenses. The fund underperformed the BofA Merrill Lynch 5-10 Year AAA-A US Corporate and Government Benchmark Index by -2.1% primarily due to the underweight duration positioning during Q4 2018.

Over the course of the past 12 months the US rates market has seen a dramatic turnaround in what is almost the mirror image of the previous year as yields declined sharply by around -100bps across the whole curve. This came even as the Federal Reserve raised interest rates, for the final time this cycle, in December despite the global economy continuing to weaken and risk assets experiencing a broad based sell-off. With a global rebound in activity proving to be elusive, and trade war rhetoric dialing up, the Federal Reserve is very likely to start cutting interest rates again possibly as early as July. However, this easing bias has already been priced within bond markets.

In credit markets the broad based decline in risk assets in Q4 provided some relative valued opportunities. One positive outcome of the volatility in Q4 was that global central banks firmly moved into an easing stance, via balance sheet maneuvers or public statements. This should be supportive in the short term of risk assets and did succeed in stabilizing markets in December 2018.

The fund has continued to increase its allocation to lower risk securities due to monetary policy and geopolitical uncertainty. Credit risk remains in the fund but is very tightly controlled and selective where the risk/reward outlook is compelling. Rich valuations in investment grade credit has resulted in the fund adding agency Mortgage Backed Securities (MBS) as higher refinance activity has made the asset class cheaper. The fund reestablished an Emerging Market debt position in January as monetary policy looked set to become more accommodative which lead to a renewed search for yield. Emerging Market debt has replaced High Yield credit which we sold out of in early Q4 2018. Duration as at the end of June 2019

was 5.1 years which is 80% of the benchmark index and the overall credit quality of the fund is now significantly higher and rated A- by S&P.

Alternative Class

The net asset value (NAV) per share decreased from \$15.40 to \$14.73 over the fiscal year to 30 June, 2019, representing a -4.35% return for the year, net of all fees and expenses. In comparison the Hedge Fund Research HFRX Global Hedge Fund benchmark returned -1.95%.

The Class is managed by GCM Grosvenor and was allocated to 13 investment managers with an average allocation of approximately 7% to each manager, with the largest allocation to any single manager being just over 12%. The largest sector allocation the Fund had as at 30 June, 2019 was to the Equities strategy at around 33%. The equities strategy is allocated to directional, low net equity, event driven and specialist sub strategies.

This was followed by the quantitative and macro strategies at a combined 23%. Over the course of the fiscal year the equities exposure was reduced and the cash balance fluctuated as we managed redemptions. Net assets finished the period at \$17.98 million.

Alternative Class Institutional

The net asset value (NAV) per share decreased from \$10.34 to \$10.13 over the fiscal year to 30 June, 2019, representing a -2.03% return for the year, net of all fees and expenses. The benchmark for the Class, the Hedge Fund Research HFRX Global Hedge Fund returned -1.95%.

The Class was allocated to 27 investment managers with an average position size of approximately 6%, with the largest allocation to any single manager being just over 6%. The equities strategy in this class was much lower than the Alternative Class, at 15%, in favor of strategies and managers that offer liquidity terms that are between quarterly and annually. This allows the fund to seek opportunities in less liquid strategies, such as credit, where the fund's exposure is commensurately higher at around 26%.

Whereas the Alternative Class offers weekly liquidity, the Alternative Institutional Class offers subscription liquidity monthly, with quarterly withdrawal liquidity and a much longer notice period. The fund grew net assets over the period, with net assets finishing the period at \$115.21 million.

Dwayne Outerbridge, CFA
President
Butterfield Select Fund Limited
October 18, 2019



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Independent Auditor's Report

The Board of Directors
Butterfield Select Fund Limited, comprising Equity Class, Global Fixed Income Class,
Alternative Investment Class and Alternative Investment Institutional Class

Opinion

We have audited the financial statements of Butterfield Select Fund Limited, comprising Equity Class, Global Fixed Income Class, Alternative Investment Class and Alternative Investment Institutional Class (collectively referred to as the Fund), which comprise the statement of financial position as at June 30, 2019, and the statements of comprehensive income, changes in net assets attributable to shareholders and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Other Information

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

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

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

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

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

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

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

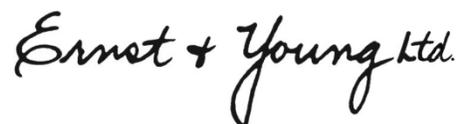
Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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



October 18, 2019

Butterfield Select Fund Limited

COMPANY INFORMATION

DIRECTORS

Dwayne Outerbridge (alternative: Michael Neff)
Richard Foley
David Ware
Dawn Griffiths (alternative: Elizabeth Denman)

INVESTMENT ADVISER

Butterfield Asset Management Limited
65 Front Street
Hamilton HM 12
Bermuda

INVESTMENT SUB-ADVISED

Grosvenor Capital Management, L.P.
900 North Michigan Avenue, Suite 1100
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IL 60611

CUSTODIAN

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

SUB-CUSTODIAN

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New York
NY 10005

REGISTRAR, TRANSFER AGENT AND ADMINISTRATOR

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
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AUDITORS

Ernst & Young Ltd.
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Bermuda

Butterfield Select Fund Limited

STATEMENT OF FINANCIAL POSITION

As at June 30, 2019

(Expressed in US Dollars)

		EQUITY CLASS	
		June 30, 2019	June 30, 2018
		US\$	US\$
	Notes		
Assets			
Cash and cash equivalents	2 h)	105,000	675,097
Financial assets at fair value through profit or loss (Cost: 2019-\$79,653,462; 2018-\$84,061,024)	3, 4	117,296,107	115,253,197
Other assets		5,831	6,567
Total assets		117,406,938	115,934,861
Liabilities			
Accrued expenses	6, 7	161,705	165,198
Subscriptions received in advance		44,165	295,941
Total liabilities		205,870	461,139
Organisational shares	5	12,000	12,000
Total liabilities and equity (including net assets attributable to shareholders)		117,406,938	115,934,861
Net assets attributable to shareholders		117,189,068	115,461,722
Number of redeemable shares in issue	5	6,992,231	7,314,455
Net asset value per redeemable share		16.76	15.79

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

Butterfield Select Fund Limited

STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at June 30, 2019

(Expressed in US Dollars)

		GLOBAL FIXED INCOME CLASS	
		June 30, 2019	June 30, 2018
		US\$	US\$
	Notes		
Assets			
Cash and cash equivalents	2 h)	632,349	456,661
Financial assets at fair value through profit or loss (Cost: 2019-\$54,338,990; 2018-\$54,535,869)	3, 4	55,415,586	54,151,231
Dividends receivable		8,594	6,015
Interest receivable		400,302	448,329
Other assets		4,862	3,996
Total assets		56,461,693	55,066,232
Liabilities			
Accrued expenses	6, 7	83,484	81,060
Due to brokers		50,502	-
Subscriptions received in advance		30,760	292,969
Total liabilities		164,746	374,029
Net assets		56,296,947	54,692,203
Number of redeemable shares in issue	5	2,632,081	2,750,033
Net asset value per redeemable share		21.39	19.89

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

Butterfield Select Fund Limited

STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at June 30, 2019

(Expressed in US Dollars)

		ALTERNATIVE INVESTMENT CLASS	
		June 30, 2019 US\$	June 30, 2018 US\$
	Notes		
Assets			
Cash and cash equivalents	2 h)	3,277,765	2,882,653
Financial assets at fair value through profit or loss (Cost: 2019-\$10,787,666; 2018-\$36,672,543)	3, 4	13,160,336	39,785,082
Receivable for investments sold		1,618,690	97,792
Other assets		1,949	8,011
Total assets		18,058,740	42,773,538
Liabilities			
Accrued expenses	6, 7	74,235	108,192
Subscriptions received in advance		4,862	180,151
Total liabilities		79,097	288,343
Net assets		17,979,643	42,485,195
Number of redeemable shares in issue	5	1,220,614	2,758,946
Net asset value per redeemable share		14.73	15.40

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

Butterfield Select Fund Limited

STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at June 30, 2019

(Expressed in US Dollars)

		ALTERNATIVE INVESTMENT INSTITUTIONAL CLASS	
		June 30, 2019 US\$	June 30, 2018 US\$
	Notes		
Assets			
Cash and cash equivalents	2 h)	5,247,879	2,235,165
Financial assets at fair value through profit or loss (Cost: 2019-\$92,683,629; 2018-\$83,614,843)	3, 4	98,887,116	87,929,522
Receivable for investments sold		11,328,647	2,702,039
Subscriptions paid in advance		-	3,200,000
Other assets		3,231	5,068
Total assets		115,466,873	96,071,794
Liabilities			
Accrued expenses	6, 7	252,645	204,781
Total liabilities		252,645	204,781
Net assets		115,214,228	95,867,013
Number of redeemable shares in issue	5	11,370,781	9,271,338
Net asset value per redeemable share		10.13	10.34

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

Butterfield Select Fund Limited

SCHEDULE OF PORTFOLIO INVESTMENTS

As at June 30, 2019

(Expressed in US Dollars)

EQUITY CLASS

		2019	
	Number of Shares	Fair Value	% of Portfolio
INVESTMENTS			
Exchange Traded Funds			
Ishares Global Energy ETF	10,000	\$ 324,700	0.28%
Wisdomtree Japan Hedged Equity Fund	103,000	5,016,100	4.28%
Xtrackers MSCI Europe Index UCITS ETF	50,360	3,401,818	2.90%
		\$ 8,742,618	7.46%
Investment Funds			
American Century SICAV - ACI Global Growth Equity - Institutional I (x) Accumulating	756,396	\$ 17,646,708	15.04%
Artisan Value Fund - Institutional	664,035	8,413,324	7.17%
BNY Mellon Long Term Global Equity Fund	10,275,363	19,371,115	16.51%
Lazard US Equity Concentrated Fund	102,976	15,166,072	12.93%
MFS Meridian Funds - Global Equity Fund	49,400	15,175,242	12.94%
MFS Meridian Funds - US Value Fund	38,257	10,434,524	8.90%
Schroder International Selection Fund - QEP Global Core	276,230	6,973,234	5.94%
Wellington Global Opportunities Equity Fund - SUHUSD	696,979	15,373,270	13.11%
		\$ 108,553,489	92.54%
TOTAL INVESTMENTS (Cost: 2019 - \$79,653,462)		\$ 117,296,107	100.00%

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

Butterfield Select Fund Limited

SCHEDULE OF PORTFOLIO INVESTMENTS (CONTINUED)

As at June 30, 2019

(Expressed in US Dollars)

GLOBAL FIXED INCOME CLASS

INVESTMENTS	2019		% of Portfolio
	Number of shares/ Nominal US\$	Fair Value	
Corporate and Government Debt Securities			
American Airlines 16-2 AA PTT 3.200% 06/15/28 SR:AA	1,314,623	\$ 1,324,746	2.39%
American Airlines 17-1 AA PTT 3.650% 02/15/29 SR:AA	638,100	661,375	1.19%
Anglo American Capital 4.875% 05/14/25 SR:144A	1,500,000	1,616,318	2.92%
Bank of America Corp. 3.950% 04/21/25 SR:L	1,500,000	1,572,858	2.84%
Barclays PLC 3.684% 01/10/23	1,000,000	1,013,098	1.83%
Bp Cap Markets America 3.796% 09/21/25	1,000,000	1,067,174	1.93%
Corp Andina De Fomento 4.375% 06/15/22	1,500,000	1,578,330	2.85%
Fedex Corp 1998 Pass TST 6.720% 01/15/22 SR:981A	765,004	798,473	1.44%
General Motors Financial Company Inc. 4.375% 09/25/21	1,500,000	1,548,302	2.79%
Goldman Sachs Group Inc. 2.350% 11/15/21	1,500,000	1,498,505	2.70%
ING Bank NV 5.800% 09/25/23 Sr:Regs	1,500,000	1,659,347	2.99%
Lloyds Banking Group PLC 4.050% 08/16/23	1,000,000	1,043,848	1.88%
Met Life Glob Funding I 3.875% 04/11/22 Sr:144A	1,757,000	1,832,238	3.31%
Mitsubishi UFJ FIN GRP 3.777% 03/02/25	1,500,000	1,589,009	2.87%
Renaissancere Finance 3.450% 07/01/27	1,900,000	1,937,276	3.50%
Royal Bank of Scotland GRP PLC 6.100% 06/10/23	1,500,000	1,628,450	2.94%
Schlumberger Holdings Corp. 4.000% 12/21/25 Sr:144A	1,000,000	1,058,501	1.91%
Sompo International Holdings Ltd. 4.700% 10/15/22	2,230,000	2,318,277	4.18%
Standard Chartered PLC 3.950% 01/11/23 SR:144A	1,000,000	1,022,625	1.85%
SW Airlines 07-1 Trust 6.150% 08/01/22 SR:07-1	949,766	1,000,816	1.81%
Teva Pharmaceuticals NE 3.150% 10/01/26	1,500,000	1,162,500	2.10%
Tyson Foods Inc. 3.550% 06/02/27	1,500,000	1,551,285	2.80%
Vereit Operating Partner 4.875% 06/01/26	1,000,000	1,081,383	1.95%
Government of Bermuda 4.854% 02/06/24 SR:REGS	1,500,000	1,623,765	2.93%
TSY INFL IX N/B 0.125% 07/15/26	1,865,815	1,853,068	3.34%
TSY INFL IX N/B 0.375% 01/15/27	1,851,465	1,864,109	3.36%
TSY INFL IX N/B 0.375% 07/15/27	1,828,313	1,845,168	3.33%
US Treasury N/B 1.500% 08/15/26	1,000,000	974,570	1.76%
US Treasury N/B 1.625% 05/15/26	1,000,000	984,219	1.78%
US Treasury N/B 2.250% 03/31/26	1,500,000	1,537,032	2.77%
US Treasury N/B 2.250% 08/15/27	1,850,000	1,894,877	3.42%
US Treasury N/B 2.250% 11/15/27	2,000,000	2,047,500	3.69%
US Treasury N/B 2.375% 04/30/26	1,000,000	1,032,656	1.86%
US Treasury N/B 2.375% 05/15/29	1,000,000	1,033,398	1.86%
US Treasury N/B 2.875% 05/15/49	1,000,000	1,072,812	1.94%
US Treasury N/B 2.875% 11/30/25	500,000	531,035	0.96%
		\$ 49,858,943	89.97%

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

Butterfield Select Fund Limited

SCHEDULE OF PORTFOLIO INVESTMENTS (CONTINUED)

As at June 30, 2019

(Expressed in US Dollars)

GLOBAL FIXED INCOME CLASS (CONTINUED)

INVESTMENTS (Continued)	2019		% of Portfolio
	Number of shares/ Nominal US\$	Fair Value	
Exchange Traded Funds			
Ishares Emerging Markets Local Government Bond UCITS ETF	11,250	\$ 695,588	1.26%
Ishares J.P. Morgan USD Em Bond UCITS ETF	6,250	704,750	1.27%
		\$ 1,400,338	2.53%
Preferred Shares			
Arch Capital Group Ltd. 5.250% perp SR:E	22,500	\$ 538,875	0.97%
Axis Capital Holdings Ltd. 5.500% perp SR:E	25,000	619,250	1.12%
		\$ 1,158,125	2.09%
Mortgage-backed Securities			
FN AS4884 3.000% 05/01/45	434,913	\$ 441,281	0.80%
FN AS6389 3.000% 12/01/45	435,277	441,292	0.80%
FN AS7729 3.000% 08/01/46	202,917	206,288	0.37%
FN AU1629 3.000% 07/01/43	643,750	655,160	1.18%
FN AY4200 3.000% 05/01/45	421,619	427,923	0.77%
FN AZ0849 3.000% 07/01/45	410,502	416,471	0.75%
FN BC4764 3.000% 10/01/46	201,322	203,950	0.37%
G2 MA3935 2.500% 09/20/46	204,618	205,815	0.37%
		\$ 2,998,180	5.41%
TOTAL INVESTMENTS (Cost: 2019 - \$54,338,990)		\$ 55,415,586	100.00%

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

Butterfield Select Fund Limited

SCHEDULE OF PORTFOLIO INVESTMENTS (CONTINUED)

As at June 30, 2019

(Expressed in US Dollars)

ALTERNATIVE INVESTMENT CLASS

		2019	
	Number of	Fair Value	% of
	Shares		Portfolio
INVESTMENTS			
Investment Funds			
Atlas Enhanced Fund, Ltd. - Class C - Initial Series 03-2011	689	\$ 1,049,116	7.97%
Basswood Enhanced Long Short Fund Ltd. - US Class - Series 03/18	202	182,866	1.39%
Basswood Enhanced Long Short Fund Ltd. - US Class - Series 06/18	350	315,490	2.40%
Blackrock European Hedge Fund Ltd - Class I - Series USD	5,507	1,765,300	13.41%
Citadel Kensington Global Strategies Fund Ltd.	1,364	1,863,586	14.16%
Citadel Kensington Global Strategies Fund Ltd. - BQRTLY Class - Series BSFLA	145	162,583	1.24%
Element Capital Feeder Fund Limited - Class B - Series 1	1,347	2,365,165	17.97%
Eversept ELS Offshore Fund Ltd. - USD Class - Series 13	706	754,399	5.73%
Hampshire Credit Alpha Feeder Fund Ltd. Class 2 Feb 2018	500	469,259	3.57%
Hampshire Credit Alpha Feeder Fund Ltd. Class 2 June 2018	21	18,835	0.14%
Impala ELS Fund Ltd. - Cres Class - Series 1	597	726,478	5.52%
Ionic Pamli Short Credit Opportunity Fund Ltd. - Class A - Series 11/18	521	488,675	3.71%
MW Eureka Fund - Class A2 - Series USD	383	131,780	1.00%
Renaissance Institutional Diversified Alpha Fund International L.P. (Series A)	1	1,817,100	13.81%
Select Partners ELS Fund Class A2-2	766	1,049,704	7.98%
Investment Funds (Cost: 2019 - \$10,787,666)		\$ 13,160,336	100.00%

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

Butterfield Select Fund Limited

SCHEDULE OF PORTFOLIO INVESTMENTS (CONTINUED)

As at June 30, 2019

(Expressed in US Dollars)

ALTERNATIVE INVESTMENT INSTITUTIONAL CLASS

INVESTMENTS	Number of Shares	2019	
		Fair Value	% of Portfolio
Investment Funds			
Atlas Enhanced Fund Ltd. - Class X1 - Series 010311	2,367	\$ 3,874,201	3.92%
Atlas Enhanced Fund Ltd. - Class X1 - Series 052019	400	394,331	0.40%
BlackRock European Hedge Fund Ltd - Class I - Series USD	5,697	1,750,000	1.77%
Canyon Opportunistic Credit (GRF) Fund (Cayman) Ltd. Class B - Series 00051	1,100	1,323,162	1.34%
Canyon Opportunistic Credit (GRF) Fund (Cayman) Ltd. Class B - Series 00051-2	400	475,839	0.48%
Canyon Opportunistic Credit (GRF) Fund (Cayman) Ltd. Class B - Series 00051-3	2,800	3,230,378	3.27%
Canyon Opportunistic Credit (GRF) Fund (Cayman) Ltd. Class B - Series 00051-4	550	607,325	0.61%
Canyon Opportunistic Credit (GRF) Fund (Cayman) Ltd. Class B - Series 00051-5	500	536,706	0.54%
Canyon Opportunistic Credit (GRF) Fund (Cayman) Ltd. Class B - Series 00051-6	600	595,765	0.60%
Chenavari European Structured Credit Fund Ltd. April 2013 Series	215	272,381	0.28%
Citadel Kensington Global Strategies Fund Ltd. - Class Bqtrly - Series Bsfltd	555	623,928	0.63%
Citadel Kensington Global Strategies Fund Ltd. - Main - Butterfield Select Fund	3,155	4,246,397	4.29%
Corre Opportunities Offshore Fund Ltd. - Class AU - Series 0319	2,450	2,507,910	2.54%
Corre Opportunities Offshore Fund Ltd. - Class AU - Series 0519	500	504,954	0.51%
Corre Opportunities Offshore Fund Ltd. - Class AU - Series 1118C	2,500	2,506,761	2.53%
Element Capital Feeder Fund Limited BNR - Series 1	2,439	4,287,870	4.34%
Element Capital Feeder Fund Limited BNR - Series 3	1,356	2,380,718	2.41%
Element Capital Feeder Fund Limited BNR - Series 9	143	248,856	0.25%
Hampshire Credit Alpha Feeder Fund Ltd. - Class I - Series 0718	900	806,984	0.82%
Hampshire Credit Alpha Feeder Fund Ltd. - Class I - Series 0818	400	362,978	0.37%
Hampshire Credit Alpha Feeder Fund Ltd. - Class I - Series 2018_0	150	135,459	0.14%
Hollis Park Opportunities Fund Ltd. - Class A-2 - Series 1	1,000	990,060	1.00%
Hollis Park Opportunities Fund Ltd. - Class A-2 - Series 2	1,800	1,777,824	1.80%
Hollis Park Opportunities Fund Ltd. - Class A-2 - Series 3	1,400	1,381,992	1.40%
Linden International Ltd. - Class A - Series 0118	300	331,882	0.34%
Linden International Ltd. - Class A - Series 0418	650	716,687	0.72%
Linden International Ltd. - Class A - Series 0519	650	668,347	0.68%
Linden International Ltd. - Class A - Series Bai804	757	3,224,010	3.26%
Linden International Ltd. - Class B - Series 0416	533	2,262,620	2.29%
Magnetar Constellation Fund Ltd. - Class E - Series 207	4,829	5,459,481	5.52%
Magnetar Constellation Fund Ltd. - Class E - Series 224	850	891,007	0.90%
Magnetar Constellation Fund Ltd. - Class E - Series 250	600	600,000	0.61%
MW Eureka Fund - Class B2	1,537	320,576	0.32%
Myriad Opportunities Offshore Fund Ltd. - Class B - Series 110	3,914	4,080,070	4.13%
Myriad Opportunities Offshore Fund Ltd. - Class B - Series 110C	400	361,097	0.37%

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

Butterfield Select Fund Limited

SCHEDULE OF PORTFOLIO INVESTMENTS (CONTINUED)

As at June 30, 2019

(Expressed in US Dollars)

ALTERNATIVE INVESTMENT INSTITUTIONAL CLASS (CONTINUED)

		2019	
	Number of	Fair Value	% of
	Shares		Portfolio
INVESTMENTS (continued)			
Investment Funds (continued)			
OZ GC Opportunities Overseas Fund Ltd. - Class A - Series 44	5,000	\$ 5,000,000	5.06%
Redmile Capital Offshore Fund Ltd. - Class A - Sub Class 10 - Series 0118	350	393,213	0.40%
Redmile Capital Offshore Fund Ltd. - Class A - Sub Class 10 - Series 0417	750	994,277	1.01%
Redmile Capital Offshore Fund Ltd. - Class A - Sub Class 10 - Series 0418	600	629,001	0.64%
Redmile Capital Offshore Fund Ltd. - Class A - Sub Class 10 - Series 0519	550	549,605	0.56%
Redmile Capital Offshore Fund Ltd. - Class A - Sub Class 10 - Series 1017	1,500	1,709,249	1.73%
Redmile Capital Offshore Fund Ltd. - Class A - Sub Class 10 - Series 1217	1,500	1,707,609	1.73%
Renaissance Institutional Diversified Alpha Fund International L.P - Series A	2	6,409,599	6.48%
Rokos Global Macro Fund Ltd. - Class B1	12,373	1,517,719	1.53%
Rokos Global Macro Fund Ltd. - Class EQ - Series BSFAIB	1	21,098	0.02%
Select Partners ELS Fund Ltd. - Class A1-1	2,286	4,721,186	4.76%
Shelter Growth Opportunities Fund Ltd. - Class E - Series BSFLTD	5,435	5,801,354	5.86%
Steelmill Fund Ltd. - Class A1 - Series 9	3,000	3,021,420	3.05%
Voleon Institutional Strategies International Ltd. - Class A - Series 0619	2,383	2,999,998	3.02%
Voleon International Investors Ltd. - Class A - Series 0619	5,949	999,977	1.01%
Wexford Offshore Catalyst Fund Ltd. - Class G - Series 0417E	901	913,420	0.92%
Wexford Offshore Catalyst Fund Ltd. - Class G - Series 0418E	430	435,792	0.44%
Wexford Offshore Catalyst Fund Ltd. - Class G - Series 0517E	98	306,347	0.31%
Wexford Offshore Catalyst Fund Ltd. - Class G - Series 0519E	427	432,785	0.44%
Wexford Offshore Catalyst Fund Ltd. - Class G - Series 1217E	2,161	2,189,373	2.21%
Wexford Offshore Catalyst Fund Ltd. - Class G - Series BI118E	475	481,568	0.49%
Whitebox Asymmetric Opportunities Fund Ltd. - Class C - Series 08-01-19	600	621,317	0.63%
Whitebox Asymmetric Opportunities Fund Ltd. - Class C - Series 8-1	1,841	2,292,653	2.32%
TOTAL INVESTMENTS (Cost: 2019 - \$92,683,629)		\$ 98,887,116	100.00%

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

Butterfield Select Fund Limited

STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2019

(Expressed in US Dollars)

		EQUITY CLASS	
		2019 US\$	2018 US\$
	Notes		
Income			
Net realised gain on financial assets at fair value through profit or loss		556,551	1,354,100
Net change in unrealised gain on financial assets at fair value through profit or loss		6,450,472	8,269,130
Dividend income		1,455,145	1,376,257
Interest		-	3,750
Other income		15,676	14,638
Total income		8,477,844	11,017,875
Expenses			
Management fee	6 a)	991,042	999,057
Administration fee	7	158,333	204,637
Audit fee		16,700	28,600
Custodian fee	6 b)	55,766	44,055
Government fee		4,583	5,238
Investment services fee	6 e)	-	21,583
Miscellaneous		18,859	23,472
Total expenses		1,245,283	1,326,642
Less: Withholding tax on dividend income		81,814	137,282
Net increase in net assets resulting from operations attributable to shareholders		7,150,747	9,553,951

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

Butterfield Select Fund Limited

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended June 30, 2019

(Expressed in US Dollars)

		GLOBAL FIXED INCOME CLASS	
		2019	2018
		US\$	US\$
	Notes		
Income			
Net realised gain on financial assets at fair value through profit or loss		1,109,101	1,789,107
Net change in unrealised gain/(loss) on financial assets at fair value through profit or loss		1,461,229	(3,604,737)
Bonds interest		1,962,167	1,702,305
Dividend income		68,267	24,063
Total income/(loss)		4,600,764	(89,262)
Expenses			
Management fee	6 a)	478,136	474,989
Administration fee	7	76,375	98,897
Miscellaneous		10,572	13,870
Audit fee		8,300	16,400
Custodian fee	6 b)	26,492	21,290
Government fee		2,646	2,499
Investment services fee	6 e)	-	10,291
Total expenses		602,521	638,236
Net increase/(decrease) in net assets resulting from operations attributable to shareholders		3,998,243	(727,498)

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

Butterfield Select Fund Limited

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended June 30, 2019

(Expressed in US Dollars)

	Notes	ALTERNATIVE INVESTMENT CLASS	
		2019 US\$	2018 US\$
Income			
Net realised (loss)/gain on financial assets at fair value through profit or loss		(562,683)	194,758
Net change in unrealised (loss)/gain on financial assets at fair value through profit or loss		(739,869)	1,762,818
Interest		19,751	15,542
Other income		385	1,782
Total (loss)/income		(1,282,416)	1,974,900
Expenses			
Management fee	6 a)	587,912	807,537
Administration fee	7	54,454	93,917
Miscellaneous		20,806	16,798
Audit fee		15,716	32,725
Custodian fee	6 b)	17,002	18,443
Government fee		1,851	2,896
Sub investment management fee*		12,271	11,850
Investment services fee	6 e)	-	11,454
Total expenses		710,012	995,620
Net (decrease)/increase in net assets resulting from operations attributable to shareholders		(1,992,428)	979,280

* The sub investment management fee for 2018 was reclassified from miscellaneous.

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

Butterfield Select Fund Limited

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended June 30, 2019

(Expressed in US Dollars)

	Notes	ALTERNATIVE INVESTMENT INSTITUTIONAL CLASS	
		2019 US\$	2018 US\$
Income			
Net realised loss on financial assets at fair value through profit or loss		(1,755,590)	(63,457)
Net change in unrealised gain on financial assets at fair value through profit or loss		1,888,808	4,145,728
Interest		36,045	2,005
Other income		-	845
Total income		169,263	4,085,121
Expenses			
Management fee	6 a)	1,777,692	1,287,299
Administration fee	7	164,003	100,483
Miscellaneous		26,059	19,145
Audit fee		18,100	19,443
Custodian fee	6 b)	51,242	29,967
Government fee		4,072	1,484
Sub investment management fee*		28,369	5,933
Investment services fee	6 e)	-	350
Total expenses		2,069,537	1,464,104
Net (decrease)/increase in net assets resulting from operations attributable to shareholders		(1,900,274)	2,621,017

* The sub investment management fee for 2018 was reclassified from miscellaneous.

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

Butterfield Select Fund Limited

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended June 30, 2019

(Expressed in US Dollars)

	EQUITY CLASS	
	2019 US\$	2018 US\$
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS ATTRIBUTABLE TO SHAREHOLDERS	7,150,747	9,553,951
CAPITAL STOCK TRANSACTIONS		
Issue of redeemable shares	9,702,296	13,959,331
Redemption of redeemable shares	(15,125,697)	(16,531,686)
Decrease in net assets attributable to shareholders from transactions in shares	(5,423,401)	(2,572,355)
NET INCREASE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS	1,727,346	6,981,596
NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS – BEGINNING OF YEAR	115,461,722	108,480,126
NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS – END OF YEAR	117,189,068	115,461,722

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

Butterfield Select Fund Limited

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

For the year ended June 30, 2019

(Expressed in US Dollars)

	2019 US\$	2018 US\$
GLOBAL FIXED INCOME CLASS		
NET INCREASE/(DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS ATTRIBUTABLE TO SHAREHOLDERS	3,998,243	(727,498)
CAPITAL STOCK TRANSACTIONS		
Issue of redeemable shares	4,691,792	7,028,076
Redemption of redeemable shares	(7,085,291)	(7,062,750)
Decrease in net assets attributable to shareholders from transactions in shares	(2,393,499)	(34,674)
NET INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS	1,604,744	(762,172)
NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS – BEGINNING OF YEAR	54,692,203	55,454,375
NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS – END OF YEAR	56,296,947	54,692,203

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

Butterfield Select Fund Limited

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

For the year ended June 30, 2019

(Expressed in US Dollars)

	ALTERNATIVE INVESTMENT CLASS	
	2019 US\$	2018 US\$
NET (DECREASE)/INCREASE IN NET ASSETS RESULTING FROM OPERATIONS ATTRIBUTABLE TO SHAREHOLDERS	(1,992,428)	979,280
CAPITAL STOCK TRANSACTIONS		
Issue of redeemable shares	2,087,905	5,785,610
Redemption of redeemable shares	(24,601,029)	(19,273,113)
Decrease in net assets attributable to shareholders from transactions in shares	(22,513,124)	(13,487,503)
NET DECREASE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS	(24,505,552)	(12,508,223)
NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS – BEGINNING OF YEAR	42,485,195	54,993,418
NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS – END OF YEAR	17,979,643	42,485,195

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

Butterfield Select Fund Limited

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

For the year ended June 30, 2019

(Expressed in US Dollars)

	ALTERNATIVE INVESTMENT INSTITUTIONAL CLASS	
	2019 US\$	2018 US\$
NET (DECREASE)/INCREASE IN NET ASSETS RESULTING FROM OPERATIONS ATTRIBUTABLE TO SHAREHOLDERS	(1,900,274)	2,621,017
CAPITAL STOCK TRANSACTIONS		
Issue of redeemable shares	25,255,305	67,397,689
Redemption of redeemable shares	(4,007,816)	(824,159)
Increase in net assets attributable to shareholders from transactions in shares	21,247,489	66,573,530
NET INCREASE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS	19,347,215	69,194,547
NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS – BEGINNING OF YEAR	95,867,013	26,672,466
NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS – END OF YEAR	115,214,228	95,867,013

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

Butterfield Select Fund Limited

STATEMENT OF CASH FLOWS

For the year ended June 30, 2019

(Expressed in US Dollars)

	EQUITY CLASS	
	2019 US\$	2018 US\$
Cash flows from operating activities		
Net increase in net assets resulting from operations attributable to shareholders	7,150,747	9,553,951
<i>Adjustments for:</i>		
Purchase of financial assets	(2,800,820)	(6,575,140)
Proceeds from sale of financial assets	7,764,933	7,111,574
Net realised gain on financial assets at fair value through profit or loss	(556,551)	(1,354,100)
Net change in unrealised gain on financial assets at fair value through profit or loss	(6,450,472)	(8,269,130)
Changes in:		
Other assets	736	(99)
Accrued expenses	(3,493)	(23,879)
Net cash provided by operating activities	5,105,080	443,177
Cash flows from financing activities		
Subscriptions received in advance	(251,776)	176,109
Proceeds from issuance of shares	9,702,296	13,959,331
Payments for redemption of shares	(15,125,697)	(16,531,686)
Net cash used in financing activities	(5,675,177)	(2,396,246)
Net decrease in cash and cash equivalents	(570,097)	(1,953,069)
Cash and cash equivalents – beginning of year	675,097	2,628,166
Cash and cash equivalents – end of year	105,000	675,097
Supplemental cash flow information:		
Interest received	-	3,750
Dividend received, net of withholding taxes	1,373,331	1,238,975

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

Butterfield Select Fund Limited

STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended June 30, 2019

(Expressed in US Dollars)

	GLOBAL FIXED INCOME CLASS	
	2019	2018
	US\$	US\$
Cash flows from operating activities		
Net increase/(decrease) in net assets resulting from operations attributable to shareholders	3,998,243	(727,498)
<i>Adjustments for:</i>		
Purchase of financial assets	(22,968,161)	(24,989,987)
Proceeds from sale of financial assets	24,274,136	23,653,732
Net realised gain on financial assets at fair value through profit or loss	(1,109,101)	(1,789,107)
Net change in unrealised loss/(gain) on financial assets at fair value through profit or loss	(1,461,229)	3,604,737
Changes in:		
Interest receivable	48,027	(49,010)
Other assets	(866)	(797)
Dividends receivable	(2,579)	1
Due to brokers	50,502	-
Accrued expenses	2,424	(17,716)
Net cash provided by/(used in) operating activities	2,831,396	(315,645)
Cash flows from financing activities		
Subscriptions received in advance	(262,209)	251,288
Proceeds from issuance of shares	4,691,792	7,028,076
Payments for redemption of shares	(7,085,291)	(7,062,750)
Net cash (used in)/provided by financing activities	(2,655,708)	216,614
Net increase/(decrease) in cash and cash equivalents	175,688	(99,031)
Cash and cash equivalents – beginning of year	456,661	555,692
Cash and cash equivalents – end of year	632,349	456,661
Supplemental cash flow information:		
Interest received	2,010,194	1,653,295
Dividend received	65,689	24,213

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

Butterfield Select Fund Limited

STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended June 30, 2019

(Expressed in US Dollars)

	ALTERNATIVE INVESTMENT CLASS	
	2019 US\$	2018 US\$
Cash flows from operating activities		
Net (decrease)/increase in net assets resulting from operations attributable to shareholders	(1,992,428)	979,280
<i>Adjustments for:</i>		
Purchase of financial assets	(3,405,000)	(9,815,231)
Proceeds from sale of financial assets	27,206,296	22,966,950
Net realised loss/(gain) on financial assets at fair value through profit or loss	562,683	(194,758)
Net change in unrealised loss/(gain) on financial assets at fair value through profit or loss	739,869	(1,762,818)
Changes in:		
Other assets	6,062	4,914
Accrued expenses	(33,957)	(40,185)
Net cash provided by operating activities	23,083,525	12,138,152
Cash flows from financing activities		
Subscriptions received in advance	(175,289)	171,880
Proceeds from issuance of shares	2,087,905	5,785,610
Payments for redemption of shares	(24,601,029)	(19,273,113)
Net cash used in financing activities	(22,688,413)	(13,315,623)
Net increase/(decrease) in cash and cash equivalents	395,112	(1,177,471)
Cash and cash equivalents – beginning of year	2,882,653	4,060,124
Cash and cash equivalents – end of year	3,277,765	2,882,653
Supplemental cash flow information:		
Interest received	19,751	15,542

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

Butterfield Select Fund Limited

STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended June 30, 2019

(Expressed in US Dollars)

	ALTERNATIVE INVESTMENT INSTITUTIONAL CLASS	
	2019 US\$	2018 US\$
Cash flows from operating activities		
Net (decrease)/increase in net assets resulting from operations attributable to shareholders	(1,900,274)	2,621,017
<i>Adjustments for:</i>		
Purchase of financial assets	(34,108,924)	(66,099,997)
Proceeds from sale of financial assets	17,857,940	2,998,323
Net realised loss on financial assets at fair value through profit or loss	1,755,590	63,457
Net change in unrealised gain on financial assets at fair value through profit or loss	(1,888,808)	(4,145,728)
Changes in:		
Other assets	1,837	8,528
Accrued expenses	47,864	134,902
Net cash used in operating activities	(18,234,775)	(64,419,498)
Cash flows from financing activities		
Proceeds from issuance of shares	25,255,305	67,397,689
Payment for redemption of shares	(4,007,816)	(824,159)
Net cash provided by financing activities	21,247,489	66,573,530
Net increase in cash and cash equivalents	3,012,714	2,154,032
Cash and cash equivalents – beginning of year	2,235,165	81,133
Cash and cash equivalents – end of year	5,247,879	2,235,165
Supplemental non-cash information:		
Interest received	36,045	2,005

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

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

1. CORPORATE INFORMATION

Butterfield Select Fund Limited (the "Fund") is an open-ended investment company which was incorporated under the laws of Bermuda on January 31, 2000.

The Fund commenced operations on February 17, 2000. The Bank of N. T. Butterfield & Son Limited acts as custodian (the "Custodian"). Butterfield Asset Management Limited acts as investment adviser (the "Investment Adviser"). MUFG Fund Services (Bermuda) Limited acts as registrar and transfer agent and as accountants/administrator (the "Registrar and Transfer Agent" or "Administrator") for the Fund. The Custodian and Investment Adviser are wholly owned subsidiaries of The Bank of N.T. Butterfield & Son Limited (the "Bank").

The registered address of the Fund is c/o MUFG Fund Services (Bermuda) Limited, 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.

Brown Brothers Harriman & Co. acts as sub-custodian (the "Sub-custodian") for the Equity Class, the Alternative Investment Class and the Alternative Investment Institutional Class. The Sub-custodian fees are paid by the Custodian.

Grosvenor Capital Management, L.P. provides sub-advisory services to the Fund. All sub-advisory fees are paid by the Investment Adviser on behalf of the Fund.

The objective of the Fund is to achieve long term capital growth in the value of the assets, offering a convenient and efficient vehicle for investing in mutual fund products which are anticipated to provide the best opportunities for capital appreciation having regard to diversification.

For the Equity Class, the policy of the Fund is to hold a global portfolio by investing in international and Bermuda equity funds and international equity index-linked instruments.

For the Global Fixed Income Class, the policy of the Fund is to hold a portfolio of international fixed income mutual funds and/or securities.

For Alternative Investment Class and Alternative Investment Institutional Class the policy is to invest with professional money managers, predominately in "Hedge Fund" format, but may, at the Investment Adviser's discretion, invest in listed securities or limited partnership investments. The Investment Adviser will attempt to minimise the risks involved by selecting money managers who utilise strategies such as hedged investing and by diversification of both manager and strategy.

All four classes may also hold money market instruments or mutual funds for cash management purposes.

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

2. BASIS OF PREPARATION

Accounting convention

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

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

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 judgements utilised in preparing the Fund's financial statements are reasonable and prudent. Actual results could differ from these estimates.

b) Financial Instruments

i. Classification

In the current period the Fund has adopted IFRS 9 Financial Instruments. See Note 2 p) for an explanation of the impact. Comparative figures for the year ended June 30, 2018 have not been restated. Therefore, financial instruments in the comparative period are still accounted for in accordance with IAS 39 'Financial Instruments: Recognition and Measurement'.

Policy effective from July 1, 2018 (IFRS 9)

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

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

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

Financial assets

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

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

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

2. BASIS OF PREPARATION (Continued)

Summary of significant accounting policies (continued)

b) Financial Instruments (continued)

i. Classification (continued)

Policy effective from July 1, 2018 (IFRS 9) (continued)

Financial assets measured at amortised cost

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

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

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

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

The Fund includes in this category:

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

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

Financial liabilities

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

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

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

Financial liabilities measured at amortised cost

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

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

2. BASIS OF PREPARATION (Continued)

Summary of significant accounting policies (continued)

b) Financial Instruments (continued)

i. Classification (continued)

Classification - Policy effective before July 1, 2018 (IAS 39)

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 investment funds, exchange traded funds, equities and other interest bearing investments. These assets are acquired principally for the purpose of generating a profit from short-term fluctuations in price. All derivatives 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 investment funds, exchange traded funds, equities and other interest bearing investments and derivatives 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, 2018.

Receivables and Loans

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

Other financial liabilities

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

ii. Recognition

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

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place (regular way trades) are 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 FVPL are recorded in the statement of financial position at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

2. BASIS OF PREPARATION (Continued)

Summary of significant accounting policies (continued)

b) Financial instruments (continued)

iii. Initial measurement (continued)

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

iv. Subsequent measurement

After initial measurement, the Fund measures financial instruments which are classified at FVPL, 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 FVPL in the statement of comprehensive income. Interest and dividends earned or paid on these instruments are recorded separately in interest revenue or expense and dividend revenue or expense in the statement of comprehensive income.

Financial liabilities, other than those classified at FVPL, 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 (EIR) is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating and recognising the interest income or interest expense in profit or loss 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 asset or financial liability to the gross carrying amount of the financial asset or to the amortised cost of the 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 expected 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.

v. Derecognition

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

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

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

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

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

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

2. BASIS OF PREPARATION (Continued)

Summary of significant accounting policies (continued)

c) Fair value measurement

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

It is the policy of the Fund to value any asset quoted, listed, traded or dealt with on an exchange or market by reference to the last traded price on or prior to the relevant Valuation Day on the major exchange or market in which the assets are dealt, to the extent that such valuation is based on a price within the bid-ask spread that is most representative of fair value on valuation date. In circumstances where the last traded price is not within the bid-ask spread, the Directors will determine the point within the bid-ask spread that is most representative of fair value.

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

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

d) Impairment of financial assets

Policy effective from July 1, 2018 (IFRS 9)

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

The Fund's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. The Fund uses the provision matrix as a practical expedient to measuring ECLs on trade receivables, based on days past due for groupings of receivables with similar loss patterns. Receivables are grouped based on their nature. The provision matrix is based on historical observed loss rates over the expected life of the receivables and is adjusted for forward-looking estimates.

Policy effective before July 1, 2018 (IAS 39)

The Fund assesses at each reporting date whether a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be 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 Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

2. BASIS OF PREPARATION (Continued)

Summary of significant accounting policies (continued)

d) Impairment of financial assets (continued)

Policy effective before July 1, 2018 (IAS 39) (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 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 ECLs that have not yet been incurred) discounted using the asset's original EIR. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss as credit loss expense.

Impaired debts, together with the associated allowance, are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Fund. If a previous write-off is later recovered, the recovery is credited to the credit loss expense.

Interest revenue on impaired financial assets is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

e) Functional and presentation currency

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

f) Offsetting and financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only 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. This is generally not the case with master netting agreements unless one party to the agreement defaults and the related assets and liabilities are presented gross in the statement of financial position.

Management has determined that, as at June 30, 2019 and 2018, 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 US 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.

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

2. BASIS OF PREPARATION (Continued)

Summary of significant accounting polices (continued)

h) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and short-term deposits in banks that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less.

Cash and cash equivalents do not include bank overdraft. Where applicable, bank overdraft is shown as a liability in the statement of financial position as well as in the statement of cash flows.

i) Interest income and expense

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

j) Dividend income and expense

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

k) Realised and change in unrealised gains and losses

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

l) Expenses

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

m) Going concern

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

n) Share capital

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

o) 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 at a value equal to a proportionate share of the NAV. The NAV per share is calculated by dividing the net assets attributable to shareholders with the total number of outstanding redeemable shares.

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

2. BASIS OF PREPARATION (Continued)

Summary of significant accounting polices (continued)

p) Impact of new accounting pronouncements

IFRS 9 – Financial Instruments

IFRS 9 'Financial Instruments' became effective for annual periods beginning on or after July 1, 2018. IFRS 9 brings together all three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting.

The classification and measurement requirements of IFRS 9 have been adopted retrospectively as of the date of initial application on July 1, 2018, however, the Fund has chosen to take advantage of the option not to restate comparatives. Therefore, the 2018 figures are presented and measured under IAS 39. The following table shows the original measurement categories in accordance with IAS 39 and the new measurement categories under IFRS 9 for the Fund's financial assets and financial liabilities as at July 1, 2018.

EQUITY CLASS

	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39 US\$	New carrying amount under IFRS 9 US\$
Financial assets				
Investment Funds	Held for trading at FVPL	FVPL	101,211,404	101,211,404
Exchange Traded Funds	Held for trading at FVPL	FVPL	14,041,793	14,041,793
Cash and cash equivalents	Loans and receivables	Amortised cost	675,097	675,097
Total financial assets			115,928,294	115,928,294

GLOBAL FIXED INCOME CLASS

	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39 US\$	New carrying amount under IFRS 9 US\$
Financial assets				
Investment Funds	Held for trading at FVPL	FVPL	3,027,544	3,027,544
Exchange Traded Funds	Held for trading at FVPL	FVPL	430,675	430,675
Debt securities	Held for trading at FVPL	FVPL	50,693,012	50,693,012
Cash and cash equivalents	Loans and receivables	Amortised cost	456,661	456,661
Total financial assets			54,607,892	54,607,892

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

2. BASIS OF PREPARATION (Continued)

Summary of significant accounting policies (continued)

p) Impact of new accounting pronouncements (continued)

ALTERNATIVE INVESTMENT CLASS

	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39 US\$	New carrying amount under IFRS 9 US\$
Financial assets				
Investment Funds	Held for trading at FVPL	FVPL	39,785,085	39,785,085
Cash and cash equivalents	Loans and receivables	Amortised cost	2,882,653	2,882,653
Total financial assets			42,667,738	42,667,738

ALTERNATIVE INVESTMENT INSTITUTIONAL CLASS

	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39 US\$	New carrying amount under IFRS 9 US\$
Financial assets				
Investment Funds	Held for trading at FVPL	FVPL	87,929,522	87,929,522
Cash and cash equivalents	Loans and receivables	Amortised cost	2,235,165	2,235,165
Total financial assets			90,164,687	90,164,687

Under IAS 39, these securities were designated as held for trading at FVPL because they were managed on a fair value basis and their performance was monitored on this basis. These assets have been classified as FVPL under IFRS 9.

IFRS 15 Revenue from contracts with customers

The Fund adopted IFRS 15 Revenue from contracts with customers on its effective date of July 1, 2018. IFRS 15 replaces IAS 18 Revenue and establishes a five-step model to account for revenue arising from contracts with customers. In addition, guidance on interest and dividend income have been moved from IAS 18 to IFRS 9 without significant changes to the requirements. Therefore, there was no impact of adopting IFRS 15 for the Fund.

q) 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

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

2. BASIS OF PREPARATION (Continued)

Summary of significant accounting policies (continued)

q) Investment entity (continued)

- Measure and evaluate performance of substantially all of its investments on a fair value basis.

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

r) Estimates and assumptions

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

Fair value

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

3. FINANCIAL RISK MANAGEMENT

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

Credit Risk

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

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

Credit ratings below represent ratings of Global Fixed income Class' debt securities provided by Standard & Poor's and are subject to change, which could be material.

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

3. FINANCIAL RISK MANAGEMENT (Continued)

Credit Risk (Continued)

	% of Portfolio 2019	% of Portfolio 2018
Debt Securities by Credit Rating		
AAA	0.00	2.93
AA+	2.66	24.86
AA+u	33.44	-
AA-	3.67	12.58
A+	13.88	3.04
A	0.00	2.41
A-	17.02	17.14
BBB+	8.75	11.20
BBB	14.76	5.87
BBB-	2.17	10.26
BB+	0.00	2.91
BB	2.33	5.49
Not Rated by S&P	1.32	1.31
	100.00	100.00

Credit ratings below represent ratings of Global Fixed Income Class' debt securities provided by Moody's for the debt securities not rated by Standard & Poor's and are subject to change, which could be material.

	% of Portfolio 2019	% of Portfolio 2018
Debt Securities by Credit Rating		
Aa3	1.32	1.31
	1.33	1.31

Substantially all of the assets of the Fund are held by the Fund's Custodian, Sub-custodian and the Bank. The Fund monitors its risk by monitoring the credit quality of the Custodian, Sub-custodian and the Bank. As at June 30, 2019, the credit ratings of the Custodian and the Bank, as provided by Standard and Poor's, were both BBB+ (2018 – BBB+). As at June 30, 2019, the credit rating of the Fund's Sub-custodian, as provided by Fitch Ratings, was A+ (2018 – A+).

Currency Risk

Currency risk is the risk that the value of an investment will fluctuate due to changes in foreign exchange rates. The Fund invests in securities and other investments that are denominated in currencies other than the US Dollar. Accordingly, the value of the Fund's assets may be affected favourably or unfavourably by fluctuations in currency rates and therefore the Fund will necessarily be subject to foreign exchange risks.

The primary purpose of the Fund's foreign currency economic hedging activities is to protect against the volatility associated with investments denominated in foreign currencies and other assets and liabilities denominated in foreign currencies created in the normal course of business. The Fund may utilise foreign currency forward exchange contracts to hedge foreign-currency-denominated financial instruments. Increases or decreases in the fair values of the Fund's foreign-currency-denominated financial assets and liabilities are partially offset by gains and losses on the economic hedging instruments.

As at June 30, 2019 and 2018, the Fund's exposure to currencies other than the Fund's reporting currency was limited to small balances of cash and cash equivalents denominated in foreign currencies which are not significant to the Fund as a whole.

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

3. FINANCIAL RISK MANAGEMENT (Continued)

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. Prices of fixed income securities generally increase when interest rates decline, and decrease when interest rates rise. As at June 30, 2019, had the interest rates increased or decreased by 25 basis points and assuming a direct impact to the net assets by 25 basis points, the net assets of Global Fixed Income Class would have increased or decreased by approximately US\$132,143 (2018: US\$126,733). This analysis assumes that all other variables remained unchanged. In practice, actual results may differ from this analysis and the difference could be material. All other assets and liabilities are not subject to interest rate risk. The Equity Class, Alternative Investment Class and Alternative Investment Institutional Class are not subject to significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities. The Fund is exposed to liquidity risk by way of weekly cash redemptions of redeemable shares of the Equity Class, Global Fixed Income Class and Alternative Investment Class.

The Alternative Investment Institutional Class has a higher risk and return objective and reduced liquidity constraints than the other Classes and, as a result, shares can only be redeemed quarterly. Each Fund Class retains sufficient holdings in underlying funds which offer redemptions on a quarterly, monthly, weekly and daily basis or actively traded marketable securities which, combined with cash and cash equivalents, provide adequate liquidity to address the risk of cash redemptions of redeemable shares.

The table below indicates the Global Fixed Income Class' holdings in debt securities by remaining term to maturity:

Debt Securities by Maturity	Fair Value	
	2019 US\$	2018 US\$
1 - 3 years	6,457,375	1,000,220
3 - 5 years	12,108,699	11,300,784
Greater than 5 years	34,291,049	38,392,008
	52,857,123	50,693,012

As of June 30, 2019 and 2018, all investment funds (2019: US\$117,296,107; 2018: US\$115,253,197) held by the Equity Class offer redemptions on a daily basis.

As of June 30, 2019 and 2018, all investment funds (2019: US\$1,400,338; 2018: US\$3,027,544) held by the Global Fixed Income Class offer redemptions on a daily basis.

As of June 30, 2019, investment funds held by the Alternative Investment Class representing US\$4,880,011 (37.08%) offer redemptions on a quarterly basis and US\$8,280,325 (62.92%) offer redemptions on a monthly basis. As of June 30, 2018, investment funds held by the Alternative Investment Class representing US\$13,811,691 (34.72%) offer redemptions on a quarterly basis, US\$23,541,072 (59.16%) offer redemptions on a monthly basis, US\$488,256 (1.23%) offer redemptions on a weekly basis, and US\$1,944,063 (4.89%) offer redemptions on a weekly basis. Investment funds' initial lock-up periods range from zero to one year. As of June 30, 2019 and 2018, no investment funds held by the Alternative Investment Class remain subject to un-expired initial lock-up periods.

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

3. FINANCIAL RISK MANAGEMENT (Continued)

Liquidity Risk (continued)

As of June 30, 2019, investment funds held by the Alternative Investment Institutional Class representing US\$75,839,446 (76.69%) offer redemptions on a quarterly basis, US\$22,775,289 (23.03%) offer redemptions on a monthly basis and US\$272,381 (0.28%) have other liquidity. Investment funds' initial lock-up periods range from zero to one year. As of June 30, 2019, investment funds held by the Alternative Investment Institutional Class amounting to US\$13,541,045 remain subject to un-expired initial lock-up periods ranging from 1 month to 12 months. As of June 30, 2018, investment funds held by the Alternative Investment Institutional Class representing US\$69,908,731 (79.51%) offer redemptions on a quarterly basis, US\$16,840,113 (19.15%) offer redemptions on a monthly basis, and US\$1,180,678 (1.34%) offer redemptions on a weekly basis. Investment funds' initial lock-up periods range from zero to one year. As of June 30, 2018, investment funds held by the Alternative Investment Institutional Class amounting to US\$4,051,284 remain subject to un-expired initial lock-up periods ranging from 3 months to 6 months.

The Fund also has a credit facility in place to further mitigate liquidity risk.

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.

As at June 30, 2019, all of the Equity Class' investments were exposed to changes in portfolio prices. As at June 30, 2019, if portfolio prices had been 5% higher or lower with all other variables held constant, the net assets of the Equity Class would have been US\$5,864,805 (2018 - US\$5,762,660) higher or lower.

As at June 30, 2019, all of the Global Fixed Income Class' investments were exposed to changes in portfolio prices. As at June 30, 2019, if portfolio prices had been 5% higher or lower with all other variables held constant, the net assets of the Global Fixed Income Class would have been US\$2,770,779 (2018 - US\$2,707,562) higher or lower.

As at June 30, 2019, all of the Alternative Investment Class' investments were exposed to changes in portfolio prices. As at June 30, 2019, if portfolio prices had been 5% higher or lower with all other variables held constant, the net assets of the Alternative Investment Class would have been US\$658,017 (2018 - US\$1,989,254) higher or lower.

As at June 30, 2019, all of the Alternative Investment Institutional Class' investments were exposed to changes in portfolio prices. As at June 30, 2019, if portfolio prices had been 5% higher or lower with all other variables held constant, the net assets of the Alternative Investment Institutional Class would have been US\$4,944,356 (2018- US\$4,396,476) higher or lower.

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

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;

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

4. FAIR VALUE OF FINANCIAL ASSETS (Continued)

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

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based upon the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Fund. The Fund considers observable data to be market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The inputs used by the Fund to value its investments in each of the investment funds or other financial instruments may differ from the inputs used to value the underlying holdings of such investment funds or other financial instruments. Thus, an investment fund with all of its underlying investments classified as Level 1 may be classified as a Level 2 or Level 3 investment.

The Fund measures the fair value of its investments in investment funds on the basis of the NAV per share (or its equivalent) of such investment funds.

Unless the investment funds have been suspended or are subject to similar liquidity restrictions, the Fund has the ability to redeem its investments in investment funds at NAV per share (or its equivalent) and the investments in investment funds are categorized as Level 2. Where the investment fund is suspended for an extended period, the Fund classifies its investments in investment funds as Level 3.

2019

EQUITY CLASS

Classification	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets				
Investment funds	-	108,553,489	-	108,553,489
Exchange traded funds	8,742,618	-	-	8,742,618
Total financial assets	8,742,618	108,553,489	-	117,296,107

GLOBAL FIXED INCOME CLASS

Classification	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets				
Corporate and government debt securities	-	49,858,943	-	49,858,943
Preferred shares	-	1,158,125	-	1,158,125
Exchange traded funds	1,400,338	-	-	1,400,338
Mortgage-backed securities	-	2,998,180	-	2,998,180
Total financial assets	1,400,338	54,015,248	-	55,415,586

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

4. FAIR VALUE OF FINANCIAL ASSETS (Continued)

2019 (continued)

ALTERNATIVE INVESTMENT CLASS

Classification	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets				
Investment funds	-	13,160,336	-	13,160,336
Total financial assets	-	13,160,336	-	13,160,336

ALTERNATIVE INVESTMENT INSTITUTIONAL CLASS

Classification	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets				
Investment funds	-	98,887,116	-	98,887,116
Total financial assets	-	98,887,116	-	98,887,116

2018

EQUITY CLASS

Classification	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets				
Investment funds	-	101,211,404	-	101,211,404
Exchange traded funds	14,041,793	-	-	14,041,793
Total financial assets	14,041,793	101,211,404	-	115,253,197

GLOBAL FIXED INCOME CLASS

Classification	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets				
Corporate and government debt securities	-	50,693,012	-	50,693,012
Preferred shares	-	430,675	-	430,675
Investment funds	-	3,027,544	-	3,027,544
Total financial assets	-	54,151,231	-	54,151,231

ALTERNATIVE INVESTMENT CLASS

Classification	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets				
Investment funds	-	39,785,082	-	39,785,082
Total financial assets	-	39,785,082	-	39,785,082

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

4. FAIR VALUE OF FINANCIAL ASSETS (Continued)

2018 (continued)

ALTERNATIVE INVESTMENT INSTITUTIONAL CLASS

Classification	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets				
Investment funds	-	87,929,522	-	87,929,522
Total financial assets	-	87,929,522	-	87,929,522

Transfers of Assets between Level 1 and Level 2

Financial assets and liabilities transferred from Level 1 to Level 2 are the result of the securities no longer being traded in an active market. There were no transfers of financial assets and liabilities from Level 1 to Level 2 during the years ended June 30, 2019 and 2018. 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, 2019 and 2018.

Reconciliation of Financial Asset and Liability Movement - Level 3

The movement in financial assets held in the Alternative Investment Class classified as Level 3 is as follows:

	2019 US\$	2018 US\$
Beginning balance	-	10,416
Sales/redemptions	-	(11,027)
Realised loss	-	(47,265)
Net change in unrealised gain	-	47,876
Ending balance	-	-

Net change in unrealised gain included in the statement of comprehensive income related to Level 3 investments still held at year end

- -

The Fund's Equity Class, Global Fixed Income Class and Alternative Investment Institutional Class did not hold any Level 3 investments at the beginning, during, or at the end of the year ended June 30, 2019 and June 30, 2018.

5. SHARES ISSUED AND OUTSTANDING

The authorised share capital of the Fund is US\$100,000,000 divided into 1,000,000,000 shares of US\$0.10 par value each, of which 120,000 shares of US\$0.10 par value have been designated as non-participating, voting organisational shares and have been allotted for cash at par to the Investment Adviser and its nominees.

The remaining share capital consists of 999,880,000 participating, non-voting redeemable shares of US\$0.10 divided into four classes designated as Equity Class, Global Fixed Income Class, Alternative Investment Class and Alternative Investment Institutional Class.

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

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

5. SHARES ISSUED AND OUTSTANDING (Continued)

Details of shares issued and outstanding during the years ended June 30, 2019 and 2018 were as follows:

EQUITY CLASS REDEEMABLE SHARES

	2019	2018
Balance – beginning of year	7,314,455	7,471,402
Issue of redeemable shares	628,071	903,614
Redemption of redeemable shares	(950,295)	(1,060,561)
Balance – end of year	6,992,231	7,314,455

GLOBAL FIXED INCOME CLASS REDEEMABLE SHARES

	2019	2018
Balance – beginning of year	2,750,033	2,752,775
Issue of redeemable shares	232,020	348,198
Redemption of redeemable shares	(349,972)	(350,940)
Balance – end of year	2,632,081	2,750,033

ALTERNATIVE INVESTMENT CLASS REDEEMABLE SHARES

	2019	2018
Balance – beginning of year	2,758,946	3,642,806
Issue of redeemable shares	138,420	377,658
Redemption of redeemable shares	(1,676,752)	(1,261,518)
Balance – end of year	1,220,614	2,758,946

ALTERNATIVE INVESTMENT INSTITUTIONAL CLASS REDEEMABLE SHARES

	2019	2018
Balance – beginning of year	9,271,338	2,666,415
Issue of redeemable shares	2,492,283	6,686,081
Redemption of redeemable shares	(392,840)	(81,158)
Balance – end of year	11,370,781	9,271,338

Redeemable shares are allotted to subscribers at a value determined by reference to the weekly valuation of the net assets of Equity Class, Global Fixed Income Class, and Alternative Investment Class and monthly for Alternative Investment Institutional Class. Shares may be redeemed weekly from Equity Class, Global Fixed Income Class and Alternative Investment Class and quarterly from Alternative Investment Institutional Class for an amount equal to the net asset value per share as at the close of business on the valuation day, following receipt of the properly completed request for redemption, subject to the power of the directors to deduct therefrom an amount sufficient in their opinion to meet sale and fiscal charges incurred in realising assets to provide funds to meet the request.

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

5. SHARES ISSUED AND OUTSTANDING (Continued)

The Directors of the Fund will use commercially reasonable efforts to timely meet redemption requests for the Alternative Investment Class and Alternative Investment Institutional Class. However, because the liquidity of the investments in investment funds does not match the liquidity offered to shareholders of these Classes, the Directors have determined it is in the best interest of the Alternative Investment Class and Alternative Investment Institutional Class to retain the discretion to impose a gate on redemptions. The Directors may, with respect to any redemption day, impose a gate if redemption requests in the aggregate exceed 15% of the net asset value of the respective classes on the relevant redemption day and the eleven redemption days prior for Alternative Investment Class and three redemption days prior for Alternative Investment Institutional Class. When outstanding redemption requests exceed the gate, redemptions will be reduced and satisfied on a pro rata basis, based on the total amount of requested redemptions as of such redemption day. If the Fund receives redemption requests that exceed the gate it shall carry forward the balance of any redemption requests which are not processed as a result of the gate to the next following redemption day and so on to each succeeding redemption day until such request has been complied with in full.

With respect to the Alternative Investment Institutional Class, the Directors may also declare any dealing day to be an additional redemption day for such Class, (each a "Special Dealing Day") provided that (i) no more than five (5) percent of the then outstanding Alternative Investment Institutional Class shares may be redeemed as of any Special Dealing Day; and (ii) a notice of redemption with respect to a Special Dealing Day is received by the Administrator by no later than 5:00 pm no less than 40 calendar days before the applicable Special Dealing Day.

In addition, the Directors may impose such additional requirements, limitations, terms and conditions with respect to redemptions on a Special Dealing Day as they may determine in their sole discretion.

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.

6. RELATED PARTY TRANSACTIONS

a) Management Fee

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

Under the terms of the management agreement, the Investment Adviser is entitled to receive a monthly fee calculated at the rate of no more than 1% (2018: 1%) per annum of the net asset value of each of the Equity and Global Fixed Income Classes and 2% (2018: 2%) per annum of the Alternative Investment and Alternative Investment Institutional Classes. Presently, the monthly fee is calculated at the rate of 0.875% per annum for each of the Equity and Global Fixed Income Classes, 1.75% (2018: 1.75%) per annum for the Alternative Investment Class and Alternative Investment Institutional Class.

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, 2019 and 2018 for each class are set out in the table below.

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

6. RELATED PARTY TRANSACTIONS (Continued)

a) Management Fee (continued)

Class	Management fees charged		Management fees payable	
	2019 US\$	2018 US\$	2019 US\$	2018 US\$
Equity	991,042	999,057	86,168	84,637
Global Fixed	478,136	474,989	41,786	39,237
Alternative Investment	587,912	807,537	26,744	61,182
Alternative Investment Institutional	1,777,692	1,287,299	165,958	138,090

b) Custodian Fee

In accordance with the custodian agreement, the Custodian receives a fee based on the fair value of assets under administration at the rate of 3.25 basis points per annum, subject to a minimum of US\$10,000 for each of the Fund's classes. On March 1, 2018 this rate increased to 5 basis points per annum. 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, 2019 and 2018 for each class are set out in the table below.

Class	Custodian fees charged		Custodian fees payable	
	2019 US\$	2018 US\$	2019 US\$	2018 US\$
Equity	55,766	44,055	23,655	10,393
Global Fixed	26,492	21,290	10,979	4,857
Alternative Investment	17,002	18,443	5,748	3,778
Alternative Investment Institutional	51,242	29,967	26,628	8,040

c) Investment Transactions

As of June 30, 2019, Butterfield Select Invest Fund Limited ("Select Invest") held 622,385 shares (2018: 634,115) having a fair value of US\$10,431,169 (2018: US\$10,012,670) in the Equity Class, 409,834 shares (2018: 394,406) having a fair value of US\$8,766,346 (2018: US\$7,844,743) in the Global Fixed Income Class, 212,272 shares (2018: 203,019) having a fair value of US\$3,126,764 (2018: US\$3,126,489) in the Alternative Investment Class and did not hold shares in Alternative Investment Institutional Class. Select Invest is related through common directorship. In addition, Select Invest is also managed by the Fund's Investment Adviser.

d) Credit Facility

On September 6, 2018 (2018: August 14, 2017), the Fund renewed the unsecured credit facility agreement with the Bank. Advances will be limited to 10% of the class net asset value, except for Alternative Investment Class which will be limited to 20% of its net asset value. The principal amount will be limited to a maximum of US\$43,000,000. Notwithstanding this aggregate total the individual classes of the fund will be limited to: Equity Class US\$12,000,000, Global Fixed Income Class US\$5,000,000, Alternative Investment Class US\$8,000,000 and Alternative Investment Institutional Class US\$18,000,000. The agreement bears an interest rate of 1% per annum above the higher of the LIBOR or the funding costs 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 Borrower to the Bank, is payable on the earlier of sixty 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 facility expired on June 30, 2019 (2018: June 30, 2018).

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

6. RELATED PARTY TRANSACTIONS (Continued)

d) Credit Facility (continued)

On August 9, 2019, the Fund renewed the unsecured credit facility agreement with the Bank. The renewal comes with the terms as outlined above. The renewed unsecured facility expires on June 30, 2020.

e) Investment Services Fee

The investment services fee is paid to the Bank for additional registrar and transfer agent services provided to the Fund which had been previously provided by the administrator. The investment services fee is a set fee, allocated to the individual funds based on their proportion of Net Asset Value. Details of investment services fees charged and payable, as at June 30, 2019 and 2018 for each class are set out in the table below. The investment services fee paid to the Bank was discontinued effective March 1, 2018, hence no fees were paid for 2019. The fee for 2018 was US\$43,678, with none being payable at year end 2018 and 2019.

Class	Investment services fees charged	
	2019 US\$	2018 US\$
Equity	-	21,583
Global Fixed	-	10,291
Alternative Investment	-	11,454
Alternative Investment Institutional	-	350

f) Other

The Bank owns shares of the classes as outlined below:

Class	Shares	
	2019	2018
Equity	2,307,172	2,399,060
Alternative Investment Institutional	1,274,409	1,274,409

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, 2019 and 2018 for each class are set out in the table below. Administration fees payable at June 30, 2019 and 2018 are included in accrued expenses in the Statements of Financial Position.

Class	Administration fees charged		Administration fees payable	
	2019 US\$	2018 US\$	2019 US\$	2018 US\$
Equity	158,333	204,637	29,017	42,402
Global Fixed	76,375	98,897	14,084	21,081
Alternative Investment	54,454	93,917	5,197	18,935
Alternative Investment Institutional	164,003	100,483	30,708	40,007

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

8. TAXATION

Under current Bermuda law, the Fund is not obligated to pay taxes in Bermuda on either income or capital gains.

The Fund has received an undertaking from the Minister of Finance in Bermuda, pursuant to the provisions of the exempted undertaking Tax Protection Act, 1966 which exempted the Fund from any such Bermuda taxes up to March 28, 2016.

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

9. COMMITMENTS AND CONTINGENCIES

Management has determined that the Fund had no commitments or contingencies as at June 30, 2019 (2018: none).

10. SUBSEQUENT EVENTS

The Fund has evaluated all the events or transactions that occurred after June 30, 2019 through October 18, 2019, the date the financial statements were available to be issued. During this period, the Fund did not have any material subsequent events.

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

11. FINANCIAL HIGHLIGHTS

2019	EQUITY CLASS		GLOBAL FIXED INCOME CLASS		ALTERNATIVE INVESTMENT CLASS		ALTERNATIVE INVESTMENT INSTITUTIONAL CLASS	
Per Share Information								
Net asset value - beginning of the year	\$	15.79	\$	19.89	\$	15.40	\$	10.34
Net investment income from operations								
Net investment gain/(loss)****		0.02		0.53		(0.30)		(0.20)
Net realised and change in unrealised gain/(loss) on investments		0.95		0.97		(0.37)		(0.01)
<hr/>								
Total from investment operations		0.97		1.50		(0.67)		(0.21)
<hr/>								
Net asset value - end of the year	\$	16.76	\$	21.39	\$	14.73	\$	10.13

Ratios / Supplemental Data

Total net assets - end of year	\$	117,189,068	\$	56,296,947	\$	17,979,643	\$	115,214,228
Weighted average net assets*	\$	113,560,474	\$	54,704,928	\$	33,898,803	\$	102,341,737
Ratio of expenses to weighted average net assets		1.10%		1.10%		2.09%		2.02%
Portfolio turnover rate**		2.47%		42.79%		11.48%		19.04%
Annual rate of return***		6.14%		7.54%		(4.35%)		(2.03%)

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

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

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

****Net investment gain/(loss) represents interest, dividend income and other income net of expenses.

Butterfield Select Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2019

11. FINANCIAL HIGHLIGHTS (continued)

2018	EQUITY CLASS		GLOBAL FIXED INCOME CLASS		ALTERNATIVE INVESTMENT CLASS		ALTERNATIVE INVESTMENT INSTITUTIONAL CLASS	
	Per Share Information							
Net asset value - beginning of the year	\$	14.52	\$	20.14	\$	15.10	\$	10.00
Net investment income from operations								
Net investment gain/(loss)****		(0.01)		0.42		(0.32)		(0.20)
Net realised and change in unrealised gain/(loss) on investments		1.28		(0.67)		0.62		0.54
Total from investment operations		1.27		(0.25)		0.30		0.34
Net asset value - end of the year	\$	15.79	\$	19.89	\$	15.40	\$	10.34

Ratios / Supplemental Data

Total net assets - end of year	\$	115,461,722	\$	54,692,203	\$	42,485,195	\$	95,867,013
Weighted average net assets*	\$	114,036,258	\$	54,449,352	\$	47,692,595	\$	73,596,407
Ratio of expenses to weighted average net assets		1.16%		1.17%		2.10%		1.99%
Portfolio turnover rate**		5.77%		44.04%		24.13%		8.46%
Annual rate of return***		8.75%		(1.24)%		1.99%		3.40%

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

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

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

**** Net investment gain/(loss) represents interest, dividend income and other income net of expenses.

12. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Directors on October 18, 2019.