

Butterfield Global Blue Chip Fund

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2013

Butterfield Global Blue Chip Fund

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Butterfield Global Blue Chip Fund

We have audited the accompanying financial statements of Butterfield Global Blue Chip Fund (the "Fund"), which comprise the statement of assets and liabilities, including the schedule of investments, as at June 30, 2013, and the statements of operations and changes in net assets for the year then ended (all expressed in United States dollars), and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

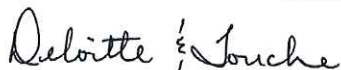
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2013, and its financial performance and changes in its net assets for the year then ended in accordance with accounting principles generally accepted in Canada.



October 1, 2013

Butterfield Global Blue Chip Fund

Administrator, Registrar and Transfer Agent

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House, 68 Fort Street
P.O. Box 609, Grand Cayman KY1-1107, Cayman Islands
Phone: (345) 745-7600 Fax: (345) 745-7690

Sub-Administrator

Butterfield Fulcrum Group (Bermuda) Limited
65 Front Street, P.O. Box HM195
Hamilton HM 12, Bermuda
Phone: (441) 299-3882 Fax: (441) 295-6759

Investment Advisor

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

Custodian and Banker

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

Sales Agent

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

Auditors

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

Legal Advisors and Listing Agent

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

Butterfield Global Blue Chip Fund

STATEMENT OF ASSETS AND LIABILITIES As at June 30, 2013 (Expressed in United States Dollars)

	Note	2013	2012
ASSETS			
Investments, at fair value (Cost : 2013 - \$7,360,422; 2012 - \$8,304,434)	2,3,4	\$ 8,335,992	\$ 8,771,421
Cash and cash equivalents		160,773	36,872
Dividend income receivable		19,873	3,298
Prepaid fees		3,797	4,759
Broker receivable		-	118,747
		8,520,435	8,935,097
LIABILITIES			
Accrued expenses	6	52,926	68,184
Redemptions payable		10,990	157,942
Subscription in advance		40,000	-
		103,916	226,126
NET ASSETS		\$ 8,416,519	\$ 8,708,971
Number of common shares in issue	5	755,188	880,238
NET ASSET VALUE PER COMMON SHARE		\$ 11.14	\$ 9.89

On behalf of the Board

Michael McWatt
DIRECTOR

Erwin Dikau
DIRECTOR

The accompanying notes form an integral part of these financial statements

Butterfield Global Blue Chip Fund

STATEMENT OF OPERATIONS For the year ended June 30, 2013 (Expressed in United States Dollars)

	Note	2013	2012
INCOME			
Net dividend income		\$ 175,132	\$ 163,283
Foreign exchange loss		(11,651)	(2,599)
Bank interest		401	-
		<u>163,882</u>	<u>160,684</u>
EXPENSES			
Management fees	6	86,208	90,903
Custodian fees	6	21,552	22,726
Administration fees	6	18,937	32,739
Audit and legal fees		3,713	28,001
Transfer agent fees	6	-	2,191
Miscellaneous		14,419	10,462
		<u>144,829</u>	<u>187,022</u>
NET INVESTMENT INCOME/(LOSS)		19,053	(26,338)
REALIZED AND UNREALIZED GAIN/LOSS ON INVESTMENTS			
Net realized gain on investments		504,307	188,301
Net change in unrealized gain/(loss) on investments		508,523	(761,201)
NET GAIN/(LOSS) ON INVESTMENTS		1,012,830	(572,900)
NET INCREASE/(DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS		\$ 1,031,883	\$ (599,238)

The accompanying notes form an integral part of these financial statements

Butterfield Global Blue Chip Fund

STATEMENT OF CHANGES IN NET ASSETS For the year ended June 30, 2013 (Expressed in United States Dollars)

	2013	2012
NET INCREASE IN NET ASSETS:		
From Operations		
Net investment income/(loss)	\$ 19,053	\$ (26,338)
Net realized gain on investments	504,307	188,301
Net change in unrealized gain/(loss) on investments	508,523	(761,201)
	<u>1,031,883</u>	<u>(599,238)</u>
From Capital Transactions		
Issuance of shares	539,025	251,646
Redemption of shares	(1,863,360)	(1,162,684)
	<u>(1,324,335)</u>	<u>(911,038)</u>
NET DECREASE IN NET ASSETS	(292,452)	(1,510,276)
NET ASSETS – BEGINNING OF YEAR	8,708,971	10,219,247
NET ASSETS – END OF YEAR	\$ 8,416,519	\$ 8,708,971

The accompanying notes form an integral part of these financial statements

Butterfield Global Blue Chip Fund

SCHEDULE OF INVESTMENTS As at June 30, 2013 (Expressed in United States Dollars)

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

The accompanying notes form an integral part of these financial statements

Butterfield Global Blue Chip Fund

SCHEDULE OF INVESTMENTS (CONT'D)

As at June 30, 2013

(Expressed in United States Dollars)

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

The accompanying notes form an integral part of these financial statements

Butterfield Global Blue Chip Fund

SCHEDULE OF INVESTMENTS As at June 30, 2012 (Expressed in United States Dollars)

Investments	Shares	Cost \$	Fair Value \$	% of Portfolio
Equity – Europe				
Adidas AG	2,200	138,457	158,051	1.80%
Essilor International	2,170	150,993	201,467	2.30%
Nestle SA	2,950	138,752	175,899	2.01%
Novartis AG	3,020	174,752	168,450	1.92%
Swatch Group AG	600	231,876	236,293	2.69%
Total SA	3,748	220,783	168,526	1.92%
Vivendi SA	6,634	224,898	122,930	1.40%
Total Equities - Europe		1,280,511	1,231,616	14.04%
Equity – United Kingdom				
BG Group Plc	6,830	130,310	139,462	1.59%
Reckitt Benckiser Group Plc	3,420	143,106	180,761	2.06%
Smith & Nephew Plc	16,460	156,338	164,818	1.88%
Total Equities - United Kingdom		429,754	485,041	5.53%
Equity – United States				
Accenture Plc	2,880	92,271	173,059	1.97%
Archer Daniels Midland Co	2,950	94,629	87,084	0.99%
Automatic Data Processing	2,120	113,353	117,999	1.35%
BHP Billiton Ltd ADR	2,080	134,963	135,824	1.55%
Biogen Idec Inc	1,380	69,366	199,244	2.27%
Caterpillar Inc	1,680	161,216	142,649	1.63%
Check Point Software Technologies Limited	3,150	81,706	156,208	1.78%
Chevron Corporation	2,090	177,483	220,495	2.51%
Cisco Systems Inc	2,090	191,316	165,691	1.89%
ConocoPhillips	9,650	164,540	144,729	1.65%
Diageo Plc ADR	2,590	121,858	204,079	2.33%
Eli Lilly & Co	1,980	92,005	96,548	1.10%
EMC Corp	7,350	158,766	188,381	2.15%
Exxon Mobil Corporation	2,691	162,327	230,269	2.63%
Fedex Corp	2,090	182,156	191,465	2.18%
Intel Corp	6,090	167,370	162,299	1.85%
Intercontinental Hotels ADR	5,860	137,825	141,226	1.61%
International Business Machines Corporation	740	148,370	144,729	1.65%
Johnson & Johnson	2,590	160,386	174,980	1.99%
Microsoft Corporation	6,920	171,746	211,683	2.41%
Pepsico Inc	3,950	260,627	279,107	3.18%
Petroleo Brasileiro SA ADR	3,950	141,360	84,465	0.96%
Philip Morris International	4,500	131,275	195,462	2.23%
Phillips 66	2,240	51,301	43,046	0.49%
Procter & Gamble Co	1,295	51,301	43,046	0.49%
Royal Dutch Shell Plc ADR	3,920	221,797	240,100	2.74%
Teva Pharmaceutical Industries Limited ADR	2,540	170,404	171,272	1.95%
Wal-Mart Stores Inc	4,030	162,893	158,943	1.81%
Zimmer Holdings Inc	1,470	85,642	102,488	1.17%
	3,170	166,450	204,021	2.33%
Total Equities - United States		4,175,401	4,767,545	54.35%
Total Equities		5,885,666	6,484,202	73.92%

The accompanying notes form an integral part of these financial statements

Butterfield Global Blue Chip Fund

SCHEDULE OF INVESTMENTS (CONT'D)

As at June 30, 2012

(Expressed in United States Dollars)

Investments (cont'd)	Shares	Cost \$	Fair Value \$	% of Portfolio
Exchange Traded Funds/Exchange Traded Product – United States				
iShares MSCI Emerging Markets Index Fund	5,931	241,841	232,110	2.65%
iShares MSCI Pacific ex-Japan Index Fund	5,590	208,736	227,792	2.60%
iShares S&P Global Industrials Sector Index Fund	1,440	68,522	71,928	0.82%
iShares S&P Global Financials Sector Index Fund	16,740	757,810	646,834	7.37%
iShares S&P Global Materials Sector Index Fund	4,550	254,252	254,391	2.90%
iShares S&P Global Telecommunications Sector Index Fund	4,500	302,833	259,110	2.95%
iShares S&P Global Utilities Sector Index Fund	4,730	200,552	198,849	2.27%
Market Vectors – Gold Miners ETF	2,110	86,760	94,465	1.08%
Market Vectors – Oil Services ETF	2,940	142,692	104,782	1.19%
Vanguard Industrials ETF	2,960	154,770	196,958	2.25%
Total Exchange Traded Funds/Exchange Traded Product		2,418,768	2,287,219	26.08%
Total Investments		8,304,434	8,771,421	100.00%

The accompanying notes form an integral part of these financial statements

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS As at and for the year ended June 30, 2013 (Expressed in United States Dollars)

1. ORGANIZATION AND OPERATIONS

Butterfield Global Blue Chip Fund (the "Fund") was incorporated as an open-ended multi-class exempted Mutual Fund Company under the laws of the Cayman Islands on November 5, 1998 and was registered under the Mutual Funds Law of the Cayman Islands on November 12, 1998.

The Fund has received an undertaking from the Cayman Islands government exempting it from all local income, profits, and capital gains taxes until November 24, 2018. No such taxes are levied in the Cayman Islands at the present time.

The Fund commenced operations on December 3, 1998 and is administered by Butterfield Fulcrum Group (Cayman) Limited, a Cayman Islands licensed Mutual Fund Administrator.

On December 3, 1998, the Fund listed on the Cayman Islands Stock Exchange.

The Fund's investment objective is to achieve long-term capital growth by investing in a global portfolio of international "blue chip" equities.

2. SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reported period. Actual results could differ from these estimates.

The significant accounting policies are as follows:

a) Valuation of Investments

The fair value of investments traded in active markets are based on quoted market prices at the close of trading on the period end date. The quoted market price used for investments held by the Fund is the last sales price reported by the principal securities exchange on which the issue is traded, or lacking any sales, at the closing bid price. An investment is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The net change during the year between these amounts and cost is shown as net change in unrealized appreciation and depreciation on investments in the Statement of Operations.

b) Investment Transactions and Income Recognition

Investment transactions are accounted for on the trade date. Gains or losses arising from the sale of investments are determined using the average cost basis. Interest income is accrued as earned and dividend income is recognized at ex-dividend date. Transaction costs incurred on portfolio transactions are recognized immediately in net income and presented on the Statement of Operations.

c) Foreign currency translation

The functional currency of the Fund is US Dollars.

Foreign currency transactions are translated to United States dollars at the rates of exchange in effect on the transaction dates. Foreign currency denominated assets and liabilities of the Fund have been translated to US Dollars at the rates of exchange prevailing on each year end date. The resultant gain or loss on exchange is recorded in the Statements of Operations.

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS
As at and for the year ended June 30, 2013
(Expressed in United States Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

d) Financial Assets and Liabilities

The fair value of securities is considered to be the market value, which is based principally on quoted market prices. The carrying value of other financial instruments approximates their fair value principally because of the short-term maturities of these instruments.

e) Adoption of New Accounting Standards

In January 2011, the Accounting Standards Board ("AcSB") amended the Introduction to Part I of the CICA Handbook-Accounting to allow investment companies, which include investment funds, to adopt International Financial Reporting Standards ("IFRS") for the first time no later than interim and annual financial statements relating to annual periods beginning on or after January 1, 2014. Investment companies electing to defer the first time adoption may continue to apply existing Canadian GAAP until the changeover to IFRS.

The Fund will defer the first time adoption and adopt IFRS beginning July 1, 2014. The Fund is currently evaluating the impact of this changeover.

3. FINANCIAL RISK MANAGEMENT

Financial Risk Management

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

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

The nature and extent of the financial instruments outstanding at the year-end date and the risk management policies employed by the Fund are discussed below:

a) Market risk

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

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

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

CURRENCY RISK

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund may invest in securities not denominated in US Dollars, or in American Depositary Receipts (ADRs). These securities may expose the Fund to currency risks inherent in the underlying investment based on the country of listing of the underlying security. The Fund's policy is not to enter into any currency hedging transactions. The Investment Advisor manages currency risk by monitoring exposure to different geographical regions.

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS
As at and for the year ended June 30, 2013
(Expressed in United States Dollars)

3. FINANCIAL RISK MANAGEMENT (CONT'D)

a) Market risk (cont'd)

CURRENCY RISK (cont'd)

At June 30, 2013, if the exchange rates of the relevant foreign currencies against US Dollars had been 10% higher or lower with all overall variables held constant, the net assets would have increased by \$153,162 (2012: \$171,666). 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in exchange rates.

As at June 30, 2013, the Fund has the following currency exposure in US Dollar equivalents:

	2013 USD	2013 % of Net Assets	2012 USD	2012 % of Net Assets
CHF	606,517	7.21%	580,642	6.67%
EUR	433,438	5.15%	650,974	7.47%
GBP	491,660	5.84%	485,041	5.57%
Total	1,531,615	18.20%	1,716,657	19.71%

INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. All of the Fund's investments are highly liquid securities which are actively traded on various stock exchanges. As a result, the Fund is not subject to fair value interest rate risk due to reasonably possible fluctuations in the prevailing levels of market interest rates.

The Fund's exposure to cash flow interest rate risk is limited to its cash and cash equivalents of \$160,773 (2012: \$36,872). Cash and cash equivalents represent 1.91% of the Fund's net assets at June 30, 2013 (2012: 0.42%). The Fund does not have any other significant interest-bearing assets and liabilities and therefore believes its sensitivity to changes in market interest rates is insignificant.

PRICE RISK

Price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate or currency risk), whether caused by factors specific to a particular instrument, its issuer or all factors affecting all instruments traded in the market. The Fund is exposed to price risk on its investments. As all of the Fund's financial instruments are carried at fair value with fair value changes recognized in the Statement of Operations, all changes in market conditions will directly affect the profit attributable to shareholders.

Price risk is managed by the Investment Advisor by constructing a diversified portfolio of investments traded on various markets. All of the Fund's investments at June 30, 2013 and 2012 are listed on stock exchanges.

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS As at and for the year ended June 30, 2013 (Expressed in United States Dollars)

3. FINANCIAL RISK MANAGEMENT (CONT'D)

a) Market risk (cont'd)

PRICE RISK (CONT'D)

As at June 30, 2013, the fair value of the Fund's investments in securities that are exposed to movement in equity prices amounted to \$8,335,992 (2012: \$8,771,421). The Fund estimates that a reasonably possible movement in its equity portfolio is calculated using the average performance of the Fund's benchmark over the past eight years of 7% (2012: 6%) adjusted to correlate to the actual investment portfolio held. As at June 30, 2013, if the benchmark equity market prices had been 7% (2012: 6%) higher or lower with all other variables held constant, the Fund's net assets would have been \$521,365 (2012: \$490,645) higher or lower. The adjusted rate is the rate used when reporting price risk internally to key management personnel.

b) Credit Risk

Financial instruments that potentially expose the Fund to credit risk consist primarily of investments and cash and cash equivalents and investment balances held at brokers.

Credit risk arising on transactions with brokers includes transactions awaiting settlement. Risk related to unsettled transactions, including dividends and interest accrued, is considered to be low due to the short settlement period involved and the high credit quality of the brokers used. The Fund's maximum exposure to credit risk is limited to the value of its financial assets as reported in the statement of assets and liabilities. The Fund monitors the credit rating of its brokers to mitigate this risk.

c) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Fund's financial liabilities at June 30, 2013 represent 1.22% of net assets (2012: 2.60%) that fall due not later than one month. The Fund's Prospectus provides for weekly subscription and redemption of shares and it is therefore exposed to the liquidity risk of meeting shareholder redemptions. The Fund does not anticipate any significant liquidity concerns in funding redemption requests and other liabilities. However, all of the Fund's investments at June 30, 2013 and 2012 are listed securities actively traded on major stock exchanges. As such, they are considered to be highly realizable, mitigating the liquidity risk of the Fund as at June 30, 2013 and 2012.

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

Capital Risk Management

The Fund's capital consists of the issued share capital.

The Investment Advisor manages the capital of the Fund in accordance with the Fund's investment objectives, policies and restrictions, as outlined in the Prospectus, while maintaining sufficient liquidity to meet shareholder redemptions. The Fund's overall strategy for managing capital remains unchanged from 2012. The Fund does not have any externally imposed capital requirements.

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS As at and for the year ended June 30, 2013 (Expressed in United States Dollars)

4. FAIR VALUE OF FINANCIAL ASSETS

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

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

All of the Fund's investments are classified within Level 1 of the fair value hierarchy as the value of these investments are based on unadjusted quoted prices in active markets for identical assets as at June 30, 2013 and 2012.

Reconciliation of financial asset and liability movement — Level 3

The Fund did not hold any Level 3 investments at the beginning, during, or at the end of the years ended June 30, 2013 and 2012.

5. SHARE CAPITAL

The Fund may issue up to 5,000,000 Non-Voting Redeemable Shares, which are redeemable at the option of the shareholders. The authorized share capital of the Fund shall consist of \$50,100 divided into 100 Ordinary Shares having a nominal value of \$1.00 each and 5,000,000 Non-Voting Redeemable Shares having a nominal value of \$0.01.

The Investment Advisor is the holder of the Ordinary Shares and shall be entitled to receive notice of and attend and vote at any general meeting of the Fund.

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

	2013	2012
	No. of Shares	No. of Shares
Balance - beginning of year	880,238	971,896
Issue of redeemable shares	50,831	26,096
Redemption of redeemable shares	(175,881)	(117,754)
Balance - end of year	755,188	880,238

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

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended June 30, 2013

(Expressed in United States Dollars)

6. RELATED PARTY TRANSACTIONS

Butterfield Bank (Cayman) Limited (the "Sales Agent") is entitled to receive a sales commission of up to 4% of the subscription price for shares. No sales commissions were charged in 2013 (2012: nil).

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

As of June 30, 2013, the Fund owed the Custodian \$5,413 (2012: \$5,506) and is included in accrued expenses.

The Investment Advisor is entitled to receive a management fee for providing investment advice to the Fund, calculated at a rate of 1.00% per annum of the net asset value of each Class of shares, calculated and accrued weekly.

As of June 30, 2013, the Fund owed the Investment Advisor \$ 21,650 (2012:\$ 22,023) and is included in accrued expenses.

Employees of the Investment Advisor, its parent company and other affiliated companies, and their immediate family members hold shares in the Fund. These shareholdings are not significant to the Fund.

7. DIRECTORS AND DIRECTORS' INTERESTS

The Directors of the Fund during the year were:

Conor O'Dea
Erwin Dikau
Sheree Ebanks (Resigned April 30, 2013)
Michael McWatt
Peter Walker

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

At June 30, 2013, the Directors held between 0 and 5,000 shares each in the Fund. Each Director is affiliated with the Custodian and Investment Advisor.

8. SUBSEQUENT EVENTS

The Fund has evaluated all events or transactions that occurred after June 30, 2013 through October 1, 2013, the date the financial statements were available to be issued. During this period, the Fund did not have any material recognizable subsequent events

Butterfield Global Blue Chip Fund

NOTES TO THE FINANCIAL STATEMENTS As at and for the year ended June 30, 2013 (Expressed in United States Dollars)

9. FINANCIAL HIGHLIGHTS

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

Per Share Information	2013	2012
Net asset value - beginning of year	\$ 9.89	\$ 10.51
Income from investment operations		
Net investment income/(loss)	0.03	(0.02)
Net realized and unrealized gain/(loss) on investments	1.22	(0.60)
Total from investment operations	1.25	(0.62)
Net asset value – end of year	\$ 11.14	\$ 9.89
Total Return	12.64%	(5.90)%
Ratios / Supplemental Data		
Net assets, end of year	\$ 8,416,519	\$ 8,708,971
Ratio of expenses to weighted average net assets	1.69%	2.06%
Ratio of net investment income/(loss) to weighted average net assets	0.22%	(0.29)%
Portfolio turnover rate*	36.01%	26.91%

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

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

