

Golden Select Fund: Equity

Objective

To offer a convenient vehicle for investing in an international portfolio of equity mutual funds, which are anticipated to provide the best opportunities for capital growth.

Investment Policy

To invest in a diverse range of top performing offshore equity mutual funds as well as a number of indexed products in order to control overall costs.

Investment Process

A quantitative analysis of fund performance is undertaken relative to peer groups to ensure the consistency of performance. This is followed with a qualitative analysis to understand the manager's philosophy.

Fund Review

The net asset value (NAV) per share of the Fund decreased from \$7.01 to \$5.80, over the quarter to 30th September 2002, a decrease of 17.3% against a benchmark return of -18.3%.

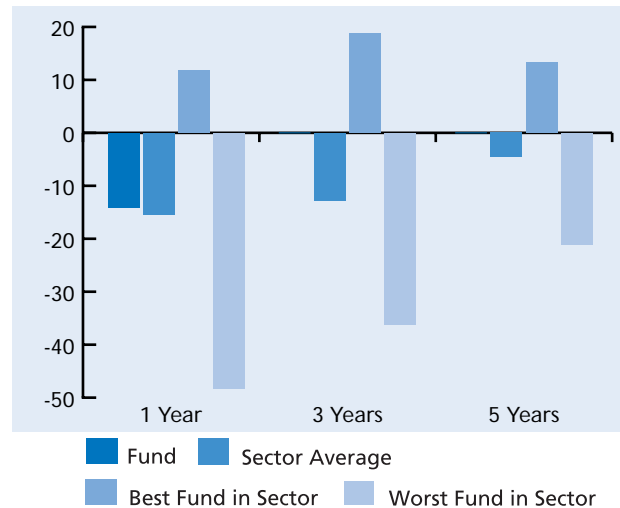
Following yet another dismal quarter, the Fund, from March 2000 highs, has now fought through 2 1/2 years of an equity bear market, which has been dotted with only the occasional rally. For this reason, as one would expect given the sustained nature of the depression, market commentators are increasingly forecasting that the market must be in the latter stages of its current bear phase.

As corporate scandals and dubious accounting shifted to the back burner, in part a consequence of the 14th Aug SEC certification deadline passing without incident, investor confidence has been partially restored. However, the potential for a "double-dip" in the economy still haunts the market. In recent months it has fixated on the threat of a military conflict with Iraq and its attendant host of uncertainties that may yet again conspire to dampen investor sentiment.

Following the breathtaking collapse of many growth stocks, the Fund's decision to invest in value funds (Orbis, ACM) looks particularly astute. However, the once significant valuation disparity between the two styles has, to a large extent, abated with both strategies once again focusing on stock selection, rather than market distortions, as a means of producing strong relative returns.

Having started the quarter badly, equities staged a mid-period recovery before falling once again towards previous trough levels. All the major indices (S&P500 -17.6%, Nasdaq -19.9%, Bloomberg 500 -23.2% and the Nikkei -11.4%) fell heavily over the period, following a similarly lackluster Q1 and Q2 performance. Against such a torrent the Fund had a number positions that performed relatively well, notably the Dresdner North American fund (-14.2%). The Fund also benefited from an asset allocation perspective by allowing a cash build up (6.2%) as the market fell. No new funds were added during the period.

Comparative Performance



Average Annual Compound Returns

1 Year	3 Years	5 Years	7 Years	10 Years
-14.10%	n/a	n/a	n/a	n/a

Asset Breakdown

Global

ACM Global Growth Trends
Orbis Global Equity Fund

North America

SPDR - S&P 500
Dresdner RCM North American
Fidelity FDS American Growth
MFS - US Emerging Growth Fund
Ishares Russell 2000 Value

UK/European

INVESCO GT Pan European Fund
Vanguard - European Stock Index

Emerging Markets

Fleming FF Emerging Markets

Japan

Fleming FF Japanese
GAM Japan USD

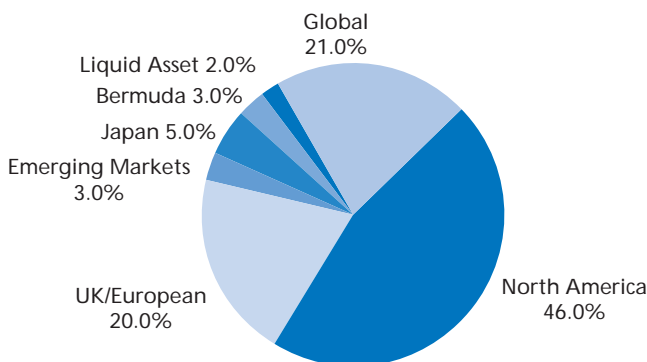
Bermuda

Butterfield Bermuda Fund

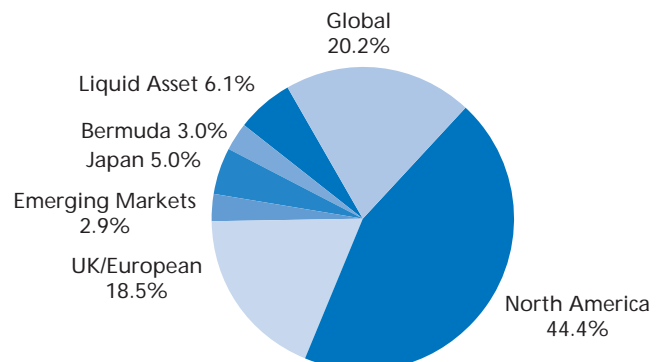
Liquid Asset

Butterfield Money Market

Asset Breakdown Benchmark



Asset Breakdown Actual



General Information

Currency: USD
Units Available: Accumulation
Size of Fund (millions): USD 36

Fiscal Year End: June 30th
Min. Investment: USD 10,000
Valuation: Thursday

Dealings: Friday
Management Fees: 0.875%
NAV per share (30.09.02): USD 5.80

Front End Fee: None