

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

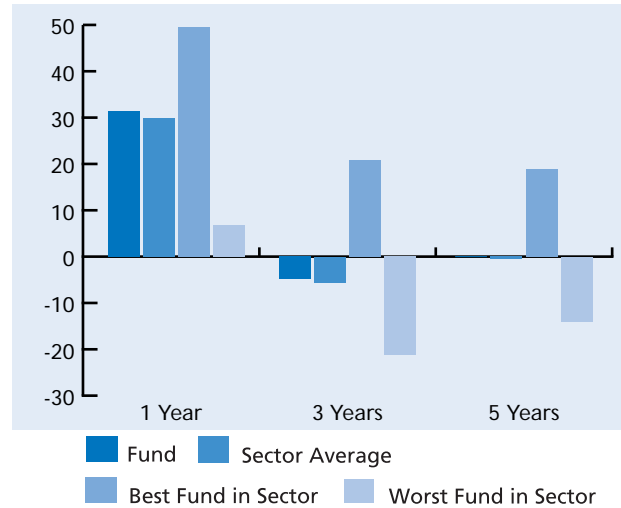
The net asset value (NAV) per share of the Fund increased from \$7.09 to \$8.02 over the quarter, an increase of 13.1% against a benchmark return of 14.1%. The major indices (S&P500 12.2%, Bloomberg 500 10.8% and the Nikkei225 4.5%) continued their ascent and closed the year very strongly.

Economic data continued to suggest that a strong global recovery is underway. In the US, real gross domestic product for the third quarter showed strong improvement in business investment. Employment has clearly stabilized and fiscal and monetary stimuli remain extremely supportive. Estimates for real US GDP growth in 2004 have continued to be revised upwards in recent months and now stands at about 4.5%. Driven mainly by exports, Europe and Japan are also enjoying the benefits of this cyclical recovery.

Emerging markets were again among the best performers this last quarter. Emerging markets are the most leveraged to a recovery in the global business cycle and still offer very attractive valuations. The Fund continues to overweight them at the expense of US equity markets where much of the good news has already been factored into stock prices.

During the quarter, we added two US managers to our Fund. Legg Mason Value Fund is managed by the investment guru Bill Miller. This fund focuses its attention on large cap stocks and has outperformed the S&P 500 for 13 consecutive years. The second fund added is the Legg Mason US Select Value Portfolio and is managed by Private Capital Management. The firm uses a private equity style of investing to uncover cheap stocks in the small and mid-cap universe. The fund recently ranked #1 among 222 US value equity funds for its performance over the last 10 years (from Nelson's "World's Best Money Managers" - 2003).

Comparative Performance



Average Annual Compound Returns

1 Year	3 Years	5 Years	7 Years	10 Years
31.48%	-4.78%	n/a	n/a	n/a

Asset Breakdown

Global

- ACM Global Growth Trends
- Orbis Global Equity Fund

North America

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

UK/European

- Fidelity European Growth Fund
- Vanguard - European Stock Index

Emerging Markets

- Fleming FF Emerging Markets
- Ishares MSCI Emerging Markets

Japan

- Fleming FF Japanese
- Orbis Japan Equity

Bermuda

- Butterfield Bermuda Fund

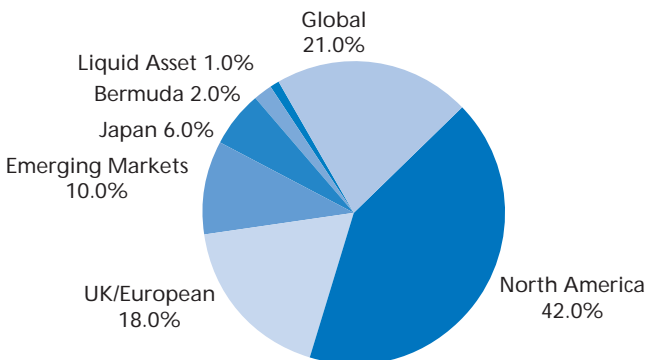
Liquid Asset

- Butterfield Money Market

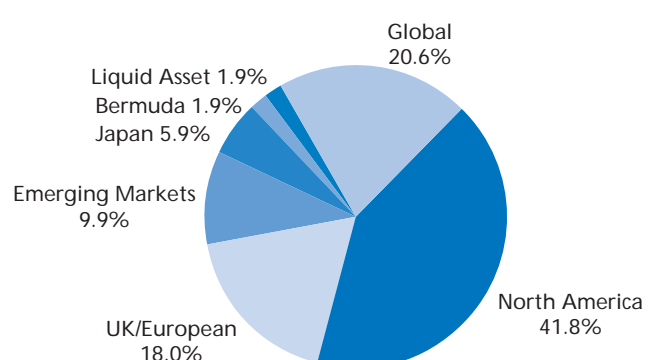
Benchmark Composition

- 60% MSCI USA
- 40% MSCI ex USA

Asset Breakdown Target



Asset Breakdown Actual



General Information

Currency: USD

Units Available: Accumulation

Size of Fund (millions): USD 65

Fiscal Year End: June 30th

Min. Investment: USD 10,000

Valuation: Thursday

Dealings: Friday

Management Fees: 0.875%

NAV per share (31.12.03): USD 8.02

Front End Fee: None