

# JAMAICA SELECT INDEX FUND LIMITED

## UNAUDITED PROFIT AND LOSS FOR PERIOD ENDED SEPTEMBER 30, 2008

	2008	2007
	J\$	J\$
<b>ASSETS</b>		
Investment in securities, at market value (Cost: 2008 - \$216,478,525 ; 2007 - \$252,251,801)	203,700,046	228,332,807
Cash and cash equivalents	2,327,982	3,799,018
Receivables	3,003,952	3,603,570
<b>Total Assets</b>	<b>209,031,980</b>	<b>235,735,395</b>
<b>LIABILITIES</b>		
Trade Payables	893,793	3,733,262
Accrued Expenses and other payables	4,298,551	3,229,492
<b>Total Liabilities</b>	<b>5,192,344</b>	<b>6,962,754</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES</b>	<b>203,839,636</b>	<b>228,772,641</b>
Total units of Series A,B,C shares issued and outstanding	24,302,654	29,239,423
Net asset value per Series A,B,C participating shares	<b>\$7.45</b>	<b>\$7.26</b>
Total units of Series D shares issued and outstanding	3,024,659	2,249,796
Net asset value per Series D participating shares	<b>\$7.54</b>	<b>\$7.31</b>

Signed on behalf of the Board:

Keith Duncan   
Executive Director

Dr. Noel Lyon   
Chairman

## UNAUDITED PROFIT AND LOSS STATEMENT FOR PERIOD ENDED SEPTEMBER 30, 2008

	6 Months to Sept. 30, 2008	6 Months to Sept. 30, 2007
	J\$	J\$
<b>REVENUES:</b>		
Dividend Income	7,169,593	5,891,664
Interest income (gross)	156,391	406,424
Selling fees	1,265	4,128
Other Income	-	28,444
<b>Total revenue</b>	<b>7,327,249</b>	<b>6,330,660</b>
<b>EXPENSES:</b>		
Administration Expenses	3,255,885	2,307,785
Distribution Expenses	901,145	882,303
Management Expenses	2,222,269	2,262,635
<b>Total Expenses</b>	<b>6,379,299</b>	<b>5,452,723</b>
<b>Operating profit/(loss)</b>	<b>947,950</b>	<b>877,937</b>
<b>REALIZED AND UNREALIZED GAINS ON INVESTMENTS:</b>		
Net realized loss on investments	87,171	(7,746,122)
Net unrealized (loss) gain on investments	(9,899,347)	10,869,057
<b>NET REALIZED &amp; UNREALIZED (LOSS) GAIN ON INVESTMENTS</b>	<b>(9,812,176)</b>	<b>3,122,935</b>
<b>NET (DECREASE)/INCREASE IN NET ASSETS FROM OPERATIONS</b>	<b>(8,864,226)</b>	<b>4,000,872</b>

## NOTES TO UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2008

### 1) IDENTIFICATION

Jamaica Select Index Fund Limited ("The Fund") was incorporated in the Cayman Islands on 16th November 2001 and registered under the Mutual Funds Law of the Cayman Islands. The Fund commenced operation on 31st December 2003 and was formally launched on 3rd February 2004. The registered office is located at P.O. Box 1959, Elizabethan Square, George Town, Grand Cayman, Cayman Islands, British West Indies. The company is an open ended investment company which may issue and redeem its shares at a price based on the underlying net asset value.

The duration of The Fund's corporate status is not limited.

### 2) SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared using the International Financial Reporting Standards (IFRS) with the exception of the matter outlined in note (3) below. Security transactions are accounted for on a trade date basis. Realized gains and losses on sale of portfolio securities are calculated on an average cost basis. Interest is recorded on an accrual basis and dividend income is recognised as at the record date.

### 3) INVESTMENTS

Investments in quoted equities are designated as financial assets at fair value through profit or loss and are initially recognised at cost. Subsequent to initial recognition investments are measured at fair value with changes in their fair value being recognised in the income statement as unrealized gains/losses on investments. The fair value of the securities are based on their last trading prices quoted on the Jamaica Stock Exchange as at the balance sheet date. The Fund being an indexed fund, seeks to match the performance of the Jamaica Stock Exchange Select Index for which market capitalization is computed using last trading price. Hence, the application of this basis for the determination of fair value. However, if fair value was computed based on bid prices, as prescribed by IFRS the following would have obtained:

- (i) Unrealized loss on the portfolio would have increased by \$9,995,561 - (2007, \$1,154,685)
- (ii) The Net Asset Value per unit would have decreased by \$0.3658 - (2007, \$0.0367)