

Exhibit 54

MANAGER MONITORING REPORT

MANAGER: BERNARD L. MADOFF INVESTMENT SECURITIES

Fund: Square One Fund Ltd.
Date: May 26th, 2004

I. ORGANISATION

AUM:

- Square One has USD 22 million AUM
- The fund has a managed account with Madoff Investment Securities who runs an undisclosed amount.
- Assets managed by the manager are estimated to be more than USD 15 billion.

Team:

- There has been no change in the team which is about 15 investment professionals.

Misc.

- None

II STRATEGY/PORTFOLIO

Strategy:

- The strategy hasn't changed and is still very simple split strike convergence strategy whereby the manager goes long an selected number of stocks in order to replicate the S&P100 behavior and sells a out of the money call and buys an out of the money put.
- Full transparency is provided as Madoff Investment Securities sends its detailed statements on a monthly basis to Bank of Bermuda who is the administrator of the fund.

III PERFORMANCE (NET)

Since Jan-00 the fund has compounded at 10.55% with a standard deviation of 2.98% a largest drawdown of -0.57% and a Sharpe ratio of 2.50

Performance in 2003 was 9.25%.

Ytd performance is 2.02% as of end of April.

IV CONCLUSION

The Fund continues to perform in a very regular fashion. The only concern which is nothing new is the lack of separation of functions as Madoff Investment Securities is its own broker, prime broke, custodian and administrator. This risk should be mitigated by the following profile which is an extract of the firm's web site:

*"Bernard L. Madoff Investment Securities LLC is a leading international market maker. The firm has been providing quality executions for broker-dealers, banks, and financial institutions since its inception in 1960. During this time, Madoff has compiled an uninterrupted record of growth, which has enabled us to continually build our financial resources. With **\$475 million in firm capital**, Madoff currently ranks among the top **1% of US Securities firms**. Our sophisticated proprietary automation and unparalleled customer service delivers an enhanced execution that is virtually unmatched in our industry.*

Madoff Securities' clients include scores of leading securities firms, banks and financial institutions from across the United States and around the world. The firm is a leading market-maker in all of the S&P 500 stocks as well as over 200 NASDAQ issues. The firm is known for its fine pricing as well as its ability to execute most orders in seconds.

*Madoff Securities' superior service is made possible by a sophisticated dealing staff backed by the securities industry's most advanced technology. It is underpinned by the personal commitment of founder Bernard L. Madoff, his brother Peter B. Madoff, who is the senior managing director and head of trading, and Madoff Securities' team of **250 employees**. Their dedication to providing the best prices and the fastest execution has enabled the firm to become a leader in the US "third market," which trades US listed equities away from the exchange floor. **Madoff Securities is a registered US broker/dealer regulated by the Securities and Exchange Commission and the National Association of Securities Dealers. Madoff Securities International Limited, is regulated by the Financial Services Authority and is a member of the London Stock Exchange and NASDAQ Europe.***

Conclusion is to keep the position.