



Hybrid Income Funds



Annual Report 2004

Mulvihill Premium *Global Plus Fund*

Global Plus Income Trust





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Message to Unitholders

Equity markets continued the positive performance they established in 2003, outperforming both bonds and cash instruments through 2004. In U.S. dollars, the S&P 500 Index recorded a 10.9 percent return for the year, while the NASDAQ advanced by 9.2 percent. However, the declining value of the U.S. dollar during the year reduced these gains to 2.8 and 1.2 percent respectively in Canadian currency. The S&P/TSX Composite Index rose by 14.5 percent.

Rising commodity prices and the prospect of higher interest rates depressed markets somewhat during the first half of the year, causing them to hit lows in August. However, conditions improved in the second half as interest rates remained low and oil prices eased down from their peak of US\$56 a barrel, allowing markets in both Canada and the U.S. to rebound strongly. The Canadian economy has performed well despite the rising U.S. dollar, though it is now showing some signs of deceleration.

Huge federal budget and current account deficits are continuing to undermine the foreign exchange value of U.S. currency, making commodities priced in U.S. dollars progressively cheaper in other world markets, such as Japan and Europe. China and India are now major influences on global commodity demand, and pressure is growing for China to revalue its currency, which is now pegged to the declining U.S. dollar.

Energy stocks were the strongest performers in both Canadian and U.S. equity markets, but there were major differences between the two countries in other sectors. In the U.S., utilities, telecommunications and industrial stocks were the next best performers, while in Canada, the leading sectors after energy were financial services, telecommunications and information technology. Health care was the weakest sector in both countries. Volatility declined to an eight year low throughout the year, but remained sufficient to maintain option-writing programs.

Looking ahead, moderate economic growth and continuing low inflation should maintain a positive environment for equities through 2005. Corporate profits will continue to improve, but not by as large a margin as they did in 2004. The Canadian economy will benefit from the strong U.S. recovery, but the relative strength of the Canadian dollar will have a dampening effect in some sectors. Since the positive expectations of investors are already reflected in many stock prices, equity markets are unlikely to make gains in 2005 as large as those of last year. Bond yields will likely head higher in the U.S., where the Federal Reserve is expected to continue gradually raising interest rates. By contrast, the Bank of Canada may have to cut rates here to help moderate the strength of the Canadian dollar.

Financial statements and a summary of the Fund's investments are included in this annual report. We would like to take this opportunity to thank each of the Fund's unitholders for their continuing support.



John P. Mulvihill

Chairman & President

Mulvihill Capital Management Inc.

Investment Objectives

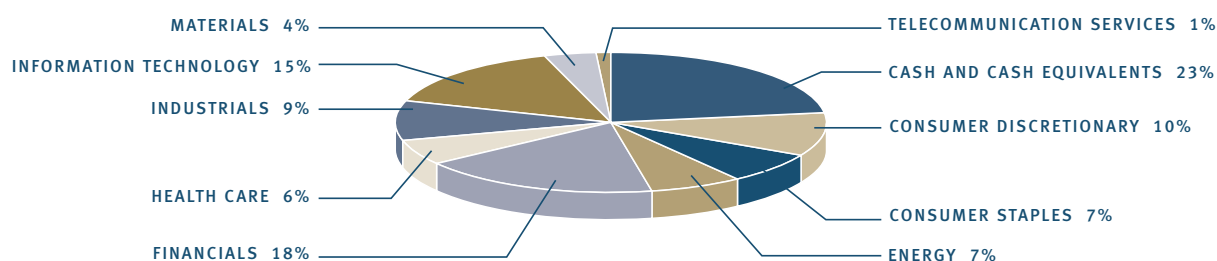
The Fund's investment objectives are to provide unitholders of the Fund with a stable stream of quarterly distributions while returning at a minimum the original issue price of the units to unitholders upon termination of the Fund on December 31, 2009.

Investment Strategy

The Fund achieves its investment objectives by investing its net assets in a diversified portfolio consisting primarily of common shares issued by corporations selected from the Standard and Poor's 100 Index and ADR's of the top 100 corporations trading on the New York Stock Exchange or NASDAQ, selected on the basis of market capitalization. The Fund may also, from time to time, invest up to 25 percent of its net asset value in World Equity Benchmark Shares (WEBS) compiled by Morgan Stanley Capital International Inc. To generate additional returns above the dividend income generated by the portfolio, the Fund may write covered call options in respect of all or part of the securities in the portfolio. From time to time, the Fund may hold a portion of its assets in cash equivalents, which may be utilized to provide cover in respect of the writing of cash covered put positions.

Asset Mix

December 31, 2004



Distribution History

INCEPTION DATE: SEPTEMBER 1999	REGULAR DISTRIBUTION	SPECIAL DISTRIBUTION	TOTAL DISTRIBUTION
Total for 1999	\$ 0.60	\$ 0.15	\$ 0.75
Total for 2000	2.00	0.75	2.75
Total for 2001	2.00	0.00	2.00
Total for 2002	1.50	0.00	1.50
Total for 2003	1.20	0.00	1.20
March 2004	0.35	0.00	0.35
June 2004	0.35	0.00	0.35
September 2004	0.35	0.00	0.35
December 2004	0.35	0.00	0.35
Total for 2004	1.40	0.00	1.40
Total Distributions to Date	\$ 8.70	\$ 0.90	\$ 9.60

For complete distribution history and income tax information, please see our website www.mulvihill.com.

Top 10 Holdings

- Morgan Stanley
- Exxon Mobil Corporation
- American Express Company
- Merrill Lynch & Co.
- Burlington Northern Santa Fe Corp.
- Microsoft Corporation
- Honeywell International Inc.
- SAP AG ADR
- Procter & Gamble Co.
- The Home Depot, Inc.

Trading History

September 13, 1999 to December 31, 2004



Commentary

As of December 31, 2004, the net assets of the Fund were \$32.1 million, or \$12.73 per unit, down from net assets of \$46.6 million, or \$13.96 per unit, at the end of 2003. The decline in assets was due both to distributions and to a large reduction in the number of units outstanding. Listed on the Toronto Stock Exchange as GIP.UN, the Fund's units closed on December 31 trading at \$12.15.

Unitholders received distributions during the year totalling \$1.40 per unit, exceeding last year's reduced distribution return. Capital losses from previous years are still being carried forward, and are sufficient to shelter 2004 distributions from current taxation, as well as some future gains. These non-taxable distributions effectively reduce the investment cost base for all unitholders.

The decline of the U.S. dollar versus the Canadian dollar had a major impact on overall results due to the large proportion of U.S. securities in the Fund's portfolio. While the S&P 100 Index rose 6.4 percent in U.S. dollar terms, this translated into a decline of 1.4 percent in stronger Canadian dollars. The MSCI World Index rose 14.7 percent in U.S. dollars, but only 6.9 percent in Canadian. The Fund hedged varying amounts of its U.S. dollar exposure throughout the year and as a result was able to reduce the full impact of the U.S. dollar decline on the Fund's net asset value.

The Fund made gains on investments in energy stocks such as Exxon Mobil Corporation and industrial stocks such as General Electric Company, but had negative returns from others, such as Pfizer Inc., Clear Channel Communications, Inc. and Viacom Inc. Premium income was earned from covered call writing as well as from leaving some long exposure in key sectors such as energy, in order to benefit more fully from the rising market.

The outlook for equity markets is now quite positive, as economic growth is continuing in an environment of low inflation and improving corporate profits. The Fund's portfolio is well diversified across sectors in the U.S. market, with a smaller portion of offshore exposure confined to Europe.

The following table presents the financial highlights of the Fund for the most recent five-year period.

Financial Highlights

Years ended December 31

Unaudited

	2004	2003	2002	2001	2000
DATA PER UNIT					
Net Asset Value, Beginning of Year	\$ 13.96	\$ 13.71	\$ 18.50	\$ 21.71	\$ 24.98
INCOME (LOSS) FROM INVESTMENT OPERATIONS					
Net investment income (loss)	(0.34)	(0.19)	(0.01)	0.60	0.49
Net gain (loss) on sale of investments	0.51	1.64	(3.28)	(1.81)	(1.01)
Total from Investment Operations	0.17	1.45	(3.29)	(1.21)	(0.52)
DISTRIBUTIONS TO UNITHOLDERS					
From net investment income	—	—	—	(0.28)	(0.22)
From net realized gain on sale of investments	—	—	—	—	(2.45)
Non-taxable distributions	(1.40)	(1.20)	(1.50)	(1.72)	(0.08)
Total Distributions	(1.40)	(1.20)	(1.50)	(2.00)	(2.75)
Net Asset Value, End of Year	\$ 12.73	\$ 13.96	\$ 13.71	\$ 18.50	\$ 21.71
RATIOS/SUPPLEMENTAL DATA					
Total net assets, end of year (\$millions)	\$ 32.10	\$ 46.55	\$ 58.48	\$ 89.66	\$ 105.12
Average net assets (\$millions)	\$ 45.04	\$ 54.79	\$ 73.82	\$ 94.33	\$ 116.89
Management expense ratio	1.64%	1.61%	1.56%	1.54%	1.57%
Portfolio turnover rate	78.0%	86.7%	107.5%	46.5%	44.3%
Annual rate of return	1.2%	10.6%	(17.8)%	(5.6)%	(2.1)%

Net asset value per unit is the difference between the aggregate value of the assets of the Fund and the aggregate value of the liabilities of the Fund on that date divided by the number of units then outstanding.

Net investment income (loss) per unit is calculated based on the weighted average number of units outstanding during the year.

Net gain (loss) on investments per unit includes the impact of timing of unitholder transactions.

Distributions to unitholders are based on the number of units outstanding on the record date for each distribution.

Management expense ratio is the ratio of all fees and expenses charged to the Fund to average net assets.

Portfolio turnover rate is calculated based on the lesser of purchases or sales of investments, excluding short-term investments, divided by the average portfolio value of securities, excluding short-term investments. The Fund employs an option overlay strategy which can result in higher portfolio turnover by virtue of option exercises, when compared to a conventional equity mutual fund.

Annual rate of return represents the historical annual total rate of return of an investment in a unit for the year, assuming reinvestment of current year distributions.

Management's Responsibility for Financial Reporting

The accompanying financial statements of Global Plus Income Trust (operating as Mulvihill Premium Global Plus Fund) (the "Fund") and all the information in this annual report are the responsibility of the management of Mulvihill Fund Services Inc., (the "Manager"), and have been reviewed by the Board of Advisors (the "Board").

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles and include certain amounts that are based on estimates and judgments. Management has ensured that the other financial information presented in this annual report is consistent with the financial statements. The significant accounting policies which management believes are appropriate for the Fund are described in Note 3 of the financial statements.

The Manager is also responsible for maintaining a system of internal controls designed to provide reasonable assurance that assets are safeguarded and that accounting systems provide timely, accurate and reliable financial information.

The Board meets periodically with management and external auditors to discuss internal controls, the financial reporting process, various auditing and financial reporting issues, and to review the annual report, the financial statements and the external auditors' report. Deloitte & Touche LLP has full and unrestricted access to the Board.



John P. Mulvihill
Director
Mulvihill Fund Services Inc.



Sheila S. Szela
Director
Mulvihill Fund Services Inc.

February 25, 2005

To the Unitholders of Mulvihill Premium Global Plus Fund

We have audited the accompanying statement of investments of Global Plus Income Trust (operating as Mulvihill Premium Global Plus Fund) (the "Fund") as at December 31, 2004, the statements of net assets as at December 31, 2004 and 2003, and the statements of financial operations, of changes in net assets and of gain (loss) on sale of investments for the years then ended. These financial statements are the responsibility of the Fund's Manager. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Manager, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund and its investments as at the dates indicated above, and the results of its operations, the changes in its net assets, and the gain (loss) on sale of investments for years indicated above in accordance with Canadian generally accepted accounting principles.

The signature of Deloitte & Touche LLP is written in a stylized, cursive script.

Chartered Accountants
Toronto, Ontario
February 25, 2005

Statements of Net Assets

December 31, 2004 and 2003

	2004	2003
ASSETS		
Investments at market value (cost - \$30,966,809; 2003 - \$48,332,766)	\$ 28,693,967	\$ 45,603,081
Short-term investments (cost - \$8,684,192; 2003 - \$7,849,865)	8,547,681	7,772,062
Cash	84,023	42,900
Interest receivable	11,196	11,365
Dividends receivable	22,609	36,036
Due from brokers	3,883,251	15,527
TOTAL ASSETS	41,242,727	53,480,971
LIABILITIES		
Redemptions payable	9,051,215	6,831,896
Accrued liabilities	59,760	76,285
Due to brokers	28,996	19,045
TOTAL LIABILITIES	9,139,971	6,927,226
NET ASSETS, REPRESENTED BY UNITHOLDERS' EQUITY	\$ 32,102,756	\$ 46,553,745
Number of Units Outstanding (Note 4)	2,521,692	3,335,464
Net Asset Value per Unit	\$ 12.7306	\$ 13.9572

On Behalf of the Manager,
Mulvihill Fund Services Inc.


John P. Mulvihill, Director


Sheila S. Szela, Director

Statements of Financial Operations

Years ended December 31, 2004 and 2003

	2004	2003
REVENUE		
Dividends	\$ 637,673	\$ 675,896
Interest, net of foreign exchange	(909,087)	(434,167)
Withholding taxes	(91,429)	(93,473)
TOTAL REVENUE	(362,843)	148,256
EXPENSES (Note 5)		
Management fees	554,985	675,398
Custodian and other expenses	134,885	151,517
Goods and services tax	47,373	56,878
TOTAL EXPENSES	737,243	883,793
Net Investment Loss	(1,100,086)	(735,537)
Gain (loss) on sale of investments	1,272,201	(4,327,265)
Change in unrealized appreciation/depreciation of investments	397,126	10,358,042
Net Gain on Investments	1,669,327	6,030,777
TOTAL RESULTS OF FINANCIAL OPERATIONS	\$ 569,241	\$ 5,295,240
Net Investment Loss per Unit	\$ (0.3353)	\$ (0.1843)
Net Gain on Investments per Unit	0.5088	1.5112
TOTAL RESULTS OF FINANCIAL OPERATIONS PER UNIT (based on weighted average number of units outstanding during the year 3,280,857; 2003 - 3,990,675)	\$ 0.1735	\$ 1.3269

Statements of Changes in Net Assets

Years ended December 31, 2004 and 2003

	2004	2003
NET ASSETS, BEGINNING OF YEAR	\$ 46,553,745	\$ 58,476,133
Total Results of Financial Operations	569,241	5,295,240
Unit Transactions		
Amount paid for units redeemed	(10,478,014)	(12,541,801)
Distributions to Unitholders (Note 6)		
Non-taxable distributions	(4,542,216)	(4,675,827)
Changes in Net Assets during the Year	(14,450,989)	(11,922,388)
NET ASSETS, END OF YEAR	\$ 32,102,756	\$ 46,553,745

Statements of Gain (Loss) on Sale of Investments

Years ended December 31, 2004 and 2003

	2004	2003
Proceeds from Sale of Investments	\$ 44,159,295	\$ 50,274,056
Cost of Investments, Sold		
Cost of investments, beginning of year	48,332,766	65,109,114
Cost of investments purchased	25,521,137	37,824,973
	73,853,903	102,934,087
Cost of Investments, End of Year	(30,966,809)	(48,332,766)
	42,887,094	54,601,321
GAIN (LOSS) ON SALE OF INVESTMENTS	\$ 1,272,201	\$ (4,327,265)

Statement of Investments

December 31, 2004

	% of Portfolio	Par Value/ Number of Shares	Average Cost	Market Value
SHORT-TERM INVESTMENTS				
Treasury Bills				
Government of Canada - February 24, 2005		1,315,000	\$ 1,305,591	\$ 1,305,591
Government of Canada - April 7, 2005		1,900,000	1,886,337	1,886,337
Total Treasury Bills	37.3 %		3,191,928	3,191,928
Discount Commercial Paper				
Canadian Wheat Board, USD - April 18, 2005		800,000	975,186	950,791
Export Development Corporation, USD - January 21, 2005		400,000	494,381	478,412
Province of British Columbia, USD - April 12, 2005		2,900,000	3,535,919	3,447,290
Total Discount Commercial Paper	57.0 %		5,005,486	4,876,493
Term Deposit				
Royal Bank of Canada Term Deposit 2.25%, USD - January 5, 2005	5.6 %		486,778	479,260
	99.9 %		8,684,192	8,547,681
Accrued Interest	0.1 %			11,196
TOTAL SHORT-TERM INVESTMENTS	100.0 %		\$ 8,684,192	\$ 8,558,877
INVESTMENTS				
Non-North American Common Shares				
Consumer Discretionary				
Diageo PLC ADR	2.6 %	11,000	\$ 911,206	\$ 762,838
Health Care				
Teva Pharmaceutical SP ADR	2.0 %	16,000	724,367	572,428
Information Technology				
Alcatel SA ADR		50,000	982,304	936,354
Deutsche Telekom SA ADR		32,000	828,433	869,570
SAP AG ADR		20,000	1,103,672	1,059,404
Total Information Technology	10.0 %		2,914,409	2,865,328
Total Non-North American Common Shares	14.6 %		\$ 4,549,982	\$ 4,200,594

Statement of Investments

December 31, 2004

	% of Portfolio	Number of Shares	Average Cost	Market Value
INVESTMENTS (continued)				
United States Common Shares				
Consumer Discretionary				
Clear Channel Communications, Inc.		20,000	\$ 999,113	\$ 802,520
News Corporation		25,000	634,327	575,112
The Home Depot, Inc.		20,000	1,021,087	1,024,179
Viacom Inc., Class B		16,000	846,926	697,611
Wal-Mart Stores, Inc.		12,000	933,373	759,435
Total Consumer Discretionary	13.4%		4,434,826	3,858,857
Consumer Staples				
PepsiCo Inc.		12,000	843,831	750,521
Procter & Gamble Co.		16,000	1,105,921	1,055,906
Total Consumer Staples	6.3%		1,949,752	1,806,427
Energy				
Baker Hughes Incorporated		20,000	1,107,241	1,022,501
Exxon Mobil Corporation		25,000	1,709,458	1,535,429
Total Energy	8.9%		2,816,699	2,557,930
Financials				
American Express Company		20,000	1,349,842	1,350,794
American International Group Inc.		12,500	1,209,120	983,531
Citigroup Inc.		16,000	990,175	923,630
Merrill Lynch & Co.		16,000	1,172,836	1,145,815
Morgan Stanley		25,000	1,683,437	1,663,032
The Hartford Financial Services Group, Inc.		7,500	602,611	622,828
Total Financials	23.3%		7,008,021	6,689,630
Health Care				
HCA Inc.		20,000	1,165,556	957,562
Medtronic Inc.		12,000	807,466	714,145
Total Health Care	5.8%		1,973,022	1,671,707
Industrials				
Burlington Northern Santa Fe Corp.		20,000	1,060,189	1,133,690
General Electric Company		23,000	980,331	1,005,847
Honeywell International Inc.		25,000	1,266,350	1,060,662
Total Industrials	11.2%		3,306,870	3,200,199

Statement of Investments

December 31, 2004

	% of Portfolio	Number of Shares	Average Cost	Market Value
INVESTMENTS (continued)				
United States Common Shares (continued)				
Information Technology				
Cisco Systems Inc.		32,000	997,787	739,978
Intel Corporation		32,000	871,107	896,792
Microsoft Corporation		35,000	1,357,411	1,120,091
Total Information Technology	9.6%		3,226,305	2,756,861
Materials				
Alcoa Inc.		20,000	871,566	752,918
E. I. Du Pont de Nemours and Company		12,000	653,359	705,231
Total Materials	5.1%		1,524,925	1,458,149
Telecommunication Services				
Verizon Communications Inc.	1.7%	10,000	487,579	485,371
Total United States Common Shares	85.3%		\$ 26,727,999	\$ 24,485,131

Forward Exchange Contracts

Sold USD \$1,720,000, Bought CAD \$2,181,468 @ 0.788460 - January 5, 2005		\$ 120,576
Sold USD \$589,000, Bought CAD \$719,319 @ 0.818830 - January 12, 2005		13,549
Sold USD \$1,107,000, Bought CAD \$1,383,197 @ 0.800320 - January 19, 2005		56,670
Sold USD \$1,950,000, Bought CAD \$2,366,505 @ 0.824000 - January 26, 2005		29,692
Sold USD \$2,313,000 Bought CAD \$2,766,879 @ 0.835960 - February 2, 2005		(5,040)
Sold USD \$1,710,000 Bought CAD \$2,055,239 @ 0.832020 - February 9, 2005		5,936
Sold USD \$3,225,000 Bought CAD \$3,812,417 @ 0.845920 - February 16, 2005		(52,543)
Sold USD \$2,968,000 Bought CAD \$3,532,913 @ 0.840100 - February 23, 2005		(24,134)
Sold USD \$1,830,000, Bought CAD \$2,174,430 @ 0.841600 - March 2, 2005		(18,789)
Sold USD \$1,485,000, Bought CAD \$1,826,501 @ 0.813030 - March 9, 2005		46,758
Sold USD \$1,665,000, Bought CAD \$2,047,089 @ 0.813350 - March 9, 2005		51,619
Sold USD \$104,000, Bought CAD \$128,508 @ 0.809290 - March 16, 2005		3,867
Total Forward Exchange Contracts	0.8%	\$ 228,161

Statement of Investments

December 31, 2004

	% of Portfolio	Number of Contracts	Proceeds	Market Value
OPTIONS				
Written Cash Covered Put Options (100 shares per contract)				
Verizon Communications Inc. - January 2005 @ \$41		(100)	\$ (4,357)	\$ (5,851)
Total Written Cash Covered Put Options	0.0%		(4,357)	(5,851)
Written Covered Call Options (100 shares per contract)				
Alcatel SA ADR - January 2005 @ \$15		(250)	(15,055)	(8,554)
Alcoa Inc. - January 2005 @ \$32		(100)	(9,106)	(3,838)
American Express Company - January 2005 @ \$56		(188)	(14,297)	(5,311)
American International Group Inc. - January 2005 @ \$67		(75)	(6,951)	(4,696)
Baker Hughes Incorporated - January 2005 @ \$43		(200)	(24,887)	(7,253)
Burlington Northern Santa Fe Corp. - January 2005 @ \$46		(200)	(15,838)	(24,999)
Citigroup Inc. - January 2005 @ \$47		(100)	(7,374)	(20,797)
Clear Channel Communications, Inc. - January 2005 @ \$34		(100)	(9,324)	(943)
Deutsche Telekom ADR - January 2005 @ \$22		(200)	(6,185)	(10,913)
Diageo PLC ADR - January 2005 @ \$58		(110)	(5,890)	(8,166)
E. I. Du Pont de Nemours and Company - January 2005 @ \$49		(120)	(8,616)	(8,363)
Exxon Mobil Corporation - January 2005 @ \$50		(250)	(25,540)	(5,869)
General Electric Company - January 2005 @ \$37		(115)	(6,795)	(4,760)
HCA Inc. - January 2005 @ \$42		(200)	(19,878)	(96)
Honeywell International Inc. - January 2005 @ \$37		(250)	(21,392)	(1,597)
Merrill Lynch & Co. - January 2005 @ \$61		(160)	(23,056)	(4,307)
Microsoft Corporation - January 2005 @ \$27		(175)	(6,081)	(3,507)
Medtronic Inc. - January 2005 @ \$49		(120)	(11,607)	(18,294)
PepsiCo Inc. - January 2005 @ \$53		(75)	(4,736)	(3,065)
SAP AG ADR - January 2005 @ \$46		(120)	(14,423)	(194)
The Hartford Financial Services Group, Inc. - January 2005 @ \$66		(75)	(10,859)	(27,834)
The Home Depot, Inc. - January @ \$43		(200)	(18,182)	(14,512)
Viacom Inc., Class B - January 2005 @ \$37		(80)	(6,231)	(7,400)
Wal-Mart Stores, Inc. - January 2005 @ \$53		(120)	(14,512)	(18,800)
Total Written Covered Call Options	(0.7)%		(306,815)	(214,068)
TOTAL OPTIONS	(0.7)%		\$ (311,172)	\$ (219,919)
TOTAL INVESTMENTS	100.0%		\$ 30,966,809	\$ 28,693,967

1. Establishment of the Fund

Global Plus Income Trust (the "Fund") is an investment trust established under the laws of the Province of Ontario on August 30, 1999. The Fund began operations on September 13, 1999 and will terminate on December 31, 2009 and its assets will be distributed to unitholders unless unitholders determine to continue the Fund by a majority vote at a meeting called for such purpose.

The manager of the Fund is Mulvihill Fund Services Inc. (the "Manager") and the Fund's investment manager is Mulvihill Capital Management Inc. (the "Investment Manager"). The Royal Trust Company (the "Trustee") is the trustee and acts as custodian of the assets of the Fund.

The Fund operates under the registered name Mulvihill Premium Global Plus Fund.

2. Investment Objectives of the Fund

The Fund achieves its investment objectives by investing in a diversified portfolio consisting principally of common shares issued by corporations selected from the Standard & Poor's 100 Index and American Depository Receipts ("ADRs") of the top 100 corporations selected on the basis of market capitalization whose ADRs are trading on the New York Stock Exchange or NASDAQ. ADRs are issued by a depository as evidence of a beneficial interest in foreign securities of an issuer that are held on deposit by the depository. In addition, in order to provide further global investment opportunities, the Fund may, from time to time, invest up to a maximum of 25 percent of its net asset value in World Equity Benchmark Shares ("WEBS") that seek to provide investment results that track the performance of a specific country index compiled by Morgan Stanley Capital International Inc.

To generate additional returns above the dividend income earned on the portfolio, the Fund may, from time to time, write covered call options in respect of all or part of the securities in the portfolio. In addition, the Fund may write cash covered put options in respect of securities in which the Fund is permitted to invest. Additionally, the Fund may purchase call options with the effect of closing out existing call options written by the Fund and may also purchase put options to preserve the value of the portfolio where appropriate. The Fund may enter into trades to close out positions in such permitted derivatives.

From time to time the Fund may hold a portion of its assets in cash equivalents.

3. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with accounting principles generally accepted in Canada, which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reported periods. Actual results may differ from estimates. The significant accounting policies of the Fund are as follows:

Valuation of Investments

Investments are recorded in the financial statements at their fair market value at the end of the period, determined as follows:

Securities are valued at fair market value, which is determined by the closing sale price on the recognized stock exchange on which the securities are listed or principally traded. If no sale has taken place on that day, valuation will be at the last published sale price if this is between the last recorded bid price (the price someone is willing to pay) and the last recorded asked price (the price at which someone is willing to sell). If the last published sale price is not between the bid and the asked price, the bid or the asked price is used, whichever is nearer the last published sale price.

Short-term investments are valued at cost plus accrued interest, which approximates market value.

Listed options are valued at market values as reported on recognized exchanges. Over the counter options are valued using an appropriate valuation model.

The value of a forward contract shall be the gain or loss with respect thereto that would be realized if, on the Valuation Date, the position in the forward contract was to be closed out.

Investment Transactions and Income

Investment transactions are accounted for on a trade date basis. Realized gains and losses on the sale of investments and change in unrealized appreciation (depreciation) of investments, are determined on an average cost basis. Realized gains and losses relating to written options may arise from:

- (i) Expiration of written options whereby realized gains are equivalent to the premium received;
- (ii) Exercise of written covered call options whereby realized gains or losses are equivalent to the premium received in addition to the realized gain or loss from disposition of the related investments at the exercise price of the option; and
- (iii) Closing of written options whereby realized gains or losses are equivalent to the cost of purchasing options to close the positions, net of any premium received.

Realized gains and losses related to options are included in gain (loss) on sale of investments.

Option premiums received are reflected as deferred credits in investments so long as the options are outstanding. Any difference resulting from revaluation is included in change in unrealized appreciation (depreciation) of investments. Premiums received on written put options that are exercised are included on the cost of the security purchased.

Dividend income is recorded on the ex-dividend date. Interest income is recorded daily as it is earned.

Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the prevailing rate of exchange on each valuation date. Purchases and sales of investments, and income derived from investments, are translated at the rate of exchange prevailing on the respective dates of such transactions.

Foreign exchange gains (losses) on short-term investments are reflected as interest income (loss). Other foreign exchange gains (losses) are recorded as realized or unrealized gain (loss) on investments, as appropriate.

Generally Accepted Accounting Principles

The Canadian Institute of Chartered Accountants ("CICA") issued Section 1100, "Generally Accepted Accounting Principles ("GAAP")", which describes what constitutes GAAP and its sources. Since Section 1100 applies for fiscal years beginning on or after October 1, 2003, certain disclosures previously considered GAAP by virtue of general use in the investment funds industry, are no longer considered GAAP. This section primarily impacts the presentation of financial highlights and net income per unit. These disclosures have no impact on the valuation of the Fund or in the calculation of the net asset value per unit of the Fund.

4. Unitholders' Equity

The Fund is authorized to issue an unlimited number of transferable, redeemable trust units of one class, each of which represents an equal, undivided interest in the net assets of the Fund.

All units have equal rights and privileges. Each whole unit is entitled to one vote at all meetings of unitholders and is entitled to participate equally with respect to any and all distributions made by the Fund, including distributions of net income and net realized capital gains, and distributions upon the termination of the Fund. Units are issued only as fully paid and are non-assessable. Fractions of units are proportionately entitled to all of these rights except voting rights.

Units may be surrendered at any time for redemption but will be redeemed only on a monthly valuation date. Unitholders whose units are redeemed on a December valuation date will be entitled to receive a redemption price per unit equal to the net asset value per unit. Unitholders whose units are redeemed on any other valuation date will be entitled to receive a redemption price per unit equal to the net asset value per unit less the lesser of (i) 4 percent of such net asset value per unit and (ii) \$1.00. Under the terms of a Recirculation Agreement, the Fund may, but is not obligated to, require the Recirculation Agent to use its best efforts to find purchasers for any units tendered for redemption.

Following are the unit transactions for the year:

	2004	2003
Units outstanding, beginning of year	3,335,464	4,264,711
Units redeemed	(813,772)	(929,247)
Units outstanding, end of year	2,521,692	3,335,464

Under the terms of the normal course issuer bid, the Fund proposes to purchase, if considered advisable, up to a maximum of 326,875 units, 10 percent of its public float as determined in accordance with the rules of the Exchange. The normal course issuer bid will remain in effect until the earlier of April 27, 2005 or until the Fund has purchased the maximum number of units permitted under the bid. As at December 31, 2004, no units have been purchased by the Fund.

Unitholders may obtain a copy of the Notice of Intention to make a normal course issuer bid, without charge, by writing to Investors Services at: Mulvihill Premium Global Plus Fund, Investor Relations, 121 King St. W., Suite 2600, Toronto, Ontario, M5H 3T9.

Net Asset Value

Net asset value per unit is the difference between the aggregate value of the assets of the Fund and the aggregate value of the liabilities of the Fund on that date divided by the number of units then outstanding. The following are the net asset values of a unit at December 31 for the most recent five-year period:

	2004	2003	2002	2001	2000
	\$ 12.73	\$ 13.96	\$ 13.71	\$ 18.50	\$ 21.71

On December 31, 2004 units on the TSX closed at \$12.15 (2003 - \$13.25).

5. Management Fees, Expenses and Management Expense Ratios

The Fund is responsible for all ongoing trustee, manager, legal, accounting and audit fees as well as all other expenses incurred by the Trustee and manager in the ordinary course of business relating to the Fund's operations. The Fund is also responsible for commissions and other costs of portfolio transactions and any extraordinary expenses of the Fund which may be incurred from time to time.

Fees are payable to the Manager under the terms of the trustee agreement and to the Investment Manager under the terms of an investment management agreement. The fees are payable at annual rates of 0.10 percent and 1.15 percent, respectively, of the Fund's net asset value calculated and payable monthly, plus applicable taxes.

Management Expense Ratio

The management expense ratio is the ratio of all fees and expenses charged to the Fund to average net assets. The following are the management expense ratios for the years ended December 31 for the most recent five years:

	2004	2003	2002	2001	2000
	1.64%	1.61%	1.56%	1.54%	1.57%

6. Distributions

Distributions per unit paid during the year were allocated as follows:

	2004	2003
Non-taxable distributions	\$ 1.40	\$ 1.20

The Fund endeavours to make quarterly distributions to unitholders of net income and net realized capital gains and option premiums on the last day of March, June, September and December in each year. Unitholders may elect to reinvest distributions received from the Fund in additional units.

The non-taxable distributions received by the unitholders reduce the adjusted cost base of the unit for tax purposes.

7. Income Taxes

The Fund is a "mutual fund trust" as defined in the Income Tax Act (Canada) (the "Act"). The Fund is subject to tax in each taxation year under Part I of the Act on the amount of its income for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of the amount paid or payable to unitholders in the year. Income tax paid by the Fund on any net realized capital gains not paid or payable is recoverable by the Fund to the extent and in the circumstances provided in the Act.

Given the investment and distribution policies of the Fund and taking into account expenses, the Fund does not expect to bear any appreciable non-refundable income tax.

No amount is payable on account of income taxes in 2004 and 2003.

Accumulated non-capital losses of approximately \$4.3 million (2003 - \$3.1 million) and capital losses of approximately \$26.5 million (2003 - \$26.5 million) are available for utilization against net investment income and realized gains on sale of investments in future years. The non-capital losses have expiration dates extending to 2015 and capital losses can be carried forward indefinitely.

8. Commission Charges

Total commissions paid in 2004 in connection with portfolio transactions were \$99,117 (2003 - \$127,939).

9. Financial Instruments and Risk Management

The Fund's financial statements consist of cash, investments and certain derivative contracts (options and forward exchange contracts).

Risks of these contracts arise from the potential inability of the counterparties to meet the terms of their contracts and from future movement in currency, stock values and interest rates. The maximum credit risk exposure is the aggregate of all contracts with a positive value as disclosed on the statement of investments. The Fund manages these risks through the use of various risk limits and trading strategies.

Investments and derivative contracts are carried at fair market values. Other instruments are carried at cost, which approximates fair value.

10. Statement of Portfolio Transactions

The Fund will provide, without charge, a Statement of Portfolio Transactions (unaudited) upon written request by any unitholder to the Fund at 121 King Street West, Suite 2600, Toronto, Ontario, M5H 3T9.

Mulvihill Capital Management Inc.

Mulvihill Capital Management is a leading independent investment manager responsible for managing more than \$3.3 billion in segregated and pooled funds on behalf of institutional and high net worth clients. Founded by Canada Trust in 1985, Mulvihill Capital Management emerged in 1995 as an independent company. Today, Mulvihill is managed by a cohesive team of senior managers and owners who have worked together for more than a decade. Our scale and independent structure allow us to provide our clients with a uniquely customized approach to asset management.

Mulvihill Capital Management operates three main lines of business:

- Mulvihill Institutional Asset Management — provides asset growth management of pension funds, corporations, management companies, endowment foundations and mutual funds with a wide variety of investment mandates. Our reputation has been built on the ability to provide customized portfolios that meet the stated needs of our clients.
- Mulvihill Wealth Management — offers a comprehensive specialized approach tailored to a client's personal investment strategies. Personalized service and customized reporting ensure that our clients are fully aware of the progress they are making.
- Mulvihill Structured Products — is responsible for the development and management of Mulvihill Hybrid Income Funds tailored to meet very specific investment objectives. Assets are generally managed to meet absolute rather than relative returns.

Mulvihill's Hybrid Income Funds are exchange-traded, equity-based funds that are enhanced by virtue of their broad distribution, special structure and performance characteristics. The Hybrid Income Funds are prime examples of our customized approach to asset management.

MULVIHILL HYBRID INCOME FUNDS	SYMBOL	HIGH	LOW
For the year ended December 31, 2004			
MULVIHILL PLATINUM			
Mulvihill Pro-AMS U.S. Fund	PAM.UN	\$ 21.52	\$ 19.65
Mulvihill Pro-AMS RSP Fund	PR.UN	\$ 20.03	\$ 18.36
Mulvihill Pro-AMS 100 Plus (Cdn \$) Fund	PRC.UN	\$ 19.93	\$ 15.56
Mulvihill Pro-AMS 100 Plus (U.S. \$) Fund	PRU.U	\$ 18.25 USD	\$ 13.60 USD
Mulvihill Pro-AMS RSP Split Share Fund	SPL.A/SPL.B	\$ 10.03/\$ 17.49	\$ 8.98/\$ 12.00
MULVIHILL PREMIUM			
Mulvihill Premium Canadian Fund	FPI.UN	\$ 22.25	\$ 18.55
Mulvihill Premium U.S. Fund	FPU.UN	\$ 16.00	\$ 10.10
Mulvihill Premium Oil & Gas Fund	FPG.UN	\$ 10.85	\$ 9.18
Mulvihill Premium 60 Plus Fund	SIX.UN	\$ 23.00	\$ 18.35
Mulvihill Premium Global Plus Fund	GIP.UN	\$ 14.24	\$ 11.50
Mulvihill Premium Canadian Bank Fund	PIC.A/PIC.PR.A	\$ 13.75/\$ 17.12	\$ 11.23/\$ 15.65
Mulvihill Premium Split Share Fund	MUH.A/MUH.PR.A	\$ 12.30/\$ 16.75	\$ 9.15/\$ 15.43
Mulvihill Premium Global Telecom Fund	GT.A/GT.PR.A	\$ 1.90/\$ 12.60	\$ 0.32/\$ 11.00
Mulvihill World Financial Split Fund	WFS/WFS.PR.A	\$ 15.00/\$ 11.09	\$ 10.83/\$ 10.00
MULVIHILL SUMMIT			
Mulvihill Summit Digital World Fund	DWT.UN	\$ 4.20	\$ 3.08

Board of Advisors

John P. Mulvihill
Chairman & President,
Mulvihill Capital Management Inc.

Sheila S. Szela
Vice President, Finance & CFO,
Mulvihill Capital Management Inc.

Michael M. Koerner
Corporate Director

Robert W. Korthals
Corporate Director

C. Edward Medland
President, Beauwood Investments Inc.

Information

Auditors:

Deloitte & Touche LLP
BCE Place
181 Bay Street, Suite 1400
Toronto, Ontario M5J 2V1

Transfer Agent:

Computershare Investor Services Inc.
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Toronto, Ontario M5J 2Y1

Shares Listed:

Toronto Stock Exchange
trading under GIP.UN

Trustee:

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Royal Trust Tower
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Toronto, Ontario M5W 1P9

Visit our website at www.mulvihill.com for additional
information on all Mulvihill Hybrid Income Funds.

Hybrid Income Funds

Managed by Mulvihill Structured Products

Mulvihill Platinum

Mulvihill Pro-AMS U.S. Fund
Mulvihill Pro-AMS RSP Fund
Mulvihill Pro-AMS 100 Plus (Cdn \$) Fund
Mulvihill Pro-AMS 100 Plus (U.S. \$) Fund
Mulvihill Pro-AMS RSP Split Share Fund

Mulvihill Premium

Mulvihill Premium Canadian Fund
Mulvihill Premium U.S. Fund
Mulvihill Premium Oil & Gas Fund
Mulvihill Premium 60 Plus Fund
Mulvihill Premium Global Plus Fund
Mulvihill Premium Canadian Bank Fund
Mulvihill Premium Split Share Fund
Mulvihill Premium Global Telecom Fund
Mulvihill World Financial Split Fund

Mulvihill Summit

Mulvihill Summit Digital World Fund

Mutual Funds Managed by

Mulvihill Capital Management

Mulvihill Canadian Money Market Fund
Mulvihill Canadian Bond Fund
Mulvihill Global Equity Fund
Premium Global Income Fund

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www.mulvihill.com

Mulvihill Structured Products

Investor Relations

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