Mulvihill

Mulvihill Structured Products

Hybrid Income Funds

Annual Report 2008

Mulvihill Premium *Global Telecom Fund*

Global Telecom Split Share Corp.

Message to Shareholders

We are pleased to present the annual financial results of Global Telecom Split Share Corp., which operates as Mulvihill Premium Global Telecom Split Share Fund (the “Fund”).

The following is intended to provide you with the financial highlights of the Fund and we hope you will read the more detailed information contained within the report.

The Fund was launched in 1998 with the objectives to:

(1) Provide Preferred shareholders with cumulative cash distributions of $0.20625 per quarter to yield 5.5 percent per annum on the original issue price of the Preferred Shares of $15.00 and to return the original issue price on the July 2, 2008 termination date; and

(2) Provide Class A shareholders with all the Fund’s excess realized income at the end of each fiscal year-end after all Preferred share obligations have been met.

To accomplish these objectives the Fund invests its net assets in a diversified portfolio consisting principally of common shares issued by corporations operating within the Fund’s Global Telecom Universe. Accordingly, the distributions paid out by the Fund are funded from the dividend income earned on the portfolio, realized capital gains from the sale of securities and option premiums from the sale of covered call options. During the fiscal year ended June 29, 2008, the Fund had a loss of 4.51 percent. Distributions amounting to $0.83 per Unit were paid during the year, contributing to the overall decline in the net asset value from $13.90 per unit as at June 29, 2007 to $12.48 per unit as at June 29, 2008.

The longer-term financial highlights of the Fund for the years ended June 29 are as follows:

	2008	2007	2006	2005	2004
Annual Total Fund Return	(4.51)%	27.47%	4.84%	2.58%	8.04%
Preferred Share Distribution Paid (target of $0.82500 per share)	$ 0.82500	$ 0.82500	$ 0.82500	$ 0.82500	$ 0.82500
Class A Share Distribution Paid	$ 0.00000	$ 0.00000	$ 0.00000	$ 0.00000	$ 0.00000
Ending Net Asset Value per unit (initial issue price was $30.00 per Unit)	$ 12.48	$ 13.90	$ 11.52	$ 11.81	$ 12.28

The Fund terminated on July 2, 2008 as required by the Fund’s prospectus. As a result of the termination, the Manager of the Fund was authorized to distribute all the net assets of the Fund to its shareholders according to each shareholder’s pro-rata share. On termination, the shareholders were paid $12.4838 per Unit plus any accrued and unpaid dividends to date amounting to $0.20625 per Preferred share. One Unit represents one Class A and one Preferred share.

We thank all shareholders for their support and encourage shareholders to review the more detailed information contained within the annual report.

John P. Mulvihill
Chariman & President
Mulvihill Capital Management Inc.

TABLE OF CONTENTS

Management Report on Fund Performance

This report, prepared in accordance with National Instrument 81-106 (Investment Fund Continuous Disclosure), contains the financial highlights for the year ended June 29, 2008 of Global Telecom Split Share Corp., which operates as Mulvihill Premium Global Telecom Fund (the "Fund"). The annual financial statements of the Fund are attached.

Copies of the Fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure may obtained by calling 1-800-725-7172 toll-free, or by writing to the Fund at Investor Relations, 121 King Street West, Suite 2600, Toronto, Ontario, M5H 3T9, or by visiting our website at www.mulvihill.com.

Investment Objectives and Strategies

The Fund's investment objectives are to:

(1) provide Preferred shareholders with cumulative cash dividends of $0.20625 per quarter to yield 5.5 percent per annum on the original issue price of the Preferred shares, and

(2) provide Class A shareholders with all the Fund's excess realized income at each fiscal year-end.

The Fund invests its net assets in a diversified portfolio consisting principally of common shares issued by corporations operating within the Fund's Global Telecom Universe. The Fund may also hold a portion of its assets in cash equivalents in order to provide for the writing of cash covered put options. Additional returns beyond the dividend income produced by the shares are generated by writing covered call options on all or part of the securities in the portfolio. Due to the exercising of these options, the average turnover rate of the portfolio tends to be relatively high.

Risk

The underlying portfolio holds securities selected from an international telecom universe. In addition, the process of writing covered call options on securities held in the portfolio will tend to lower volatility in the net asset value of the portfolio. Investors should be aware that the primary risks associated with the Fund relate to the non-diversified nature of the investment universe, the level of option volatility realized in undertaking the writing of covered call options, and the impact of foreign exchange fluctuations on the value of the Fund's non-Canadian holdings. To minimize the impact of foreign exchange fluctuations, the majority of the Fund's U.S. dollar exposure continues to be hedged against fluctuations in the exchange rate for Canadian dollars.

Until September 2001, the Fund paid dividends on the Class A shares in the total amount of $12.05. However, the Fund's Telecom Universe experienced a sharp decline in value resulting in a reduction in the Fund's net asset value per unit. As a result, as required by the Fund's prospectus, the dividends on the Class A shares were suspended. The Fund terminated operations on July 2, 2008. On termination the Preferred shareholders received $12.48 per share, while the Class A shareholders had no value since the net asset value per share was below $15.00.

Summary of Investment Portfolio

The composition of the portfolio may change due to ongoing portfolio transactions of the Fund. A quarterly update will be available on our website at www.mulvihill.com.

Asset Mix and Portfolio Holdings

June 29, 2008

	% OF NET ASSET VALUE*
Cash and Short-Term Investments	103 %
Other Asset (Liabilities)	(3)%
	100 %

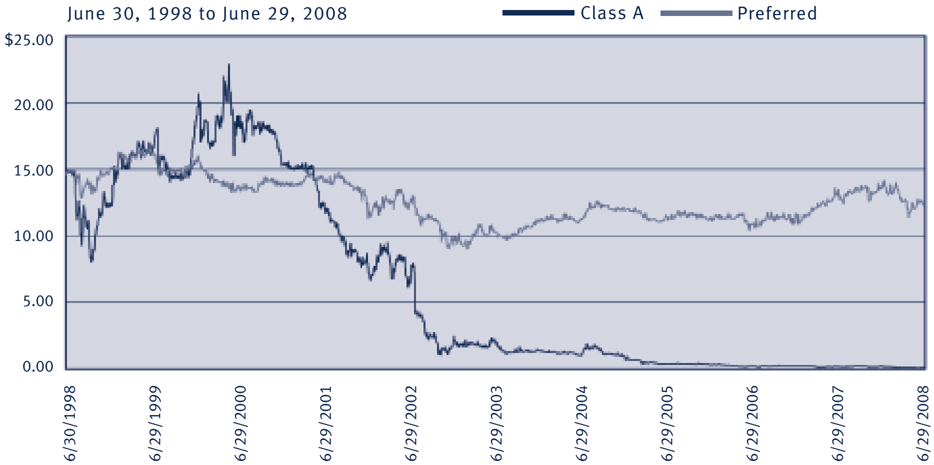
*The Net Asset Value excludes the Preferred share liability.

Distribution History (On Calendar Year Basis)

INCEPTION DATE: JUNE 1998	CLASS A REGULAR DISTRIBUTION	CLASS A SPECIAL DISTRIBUTION	TOTAL CLASS A DISTRIBUTION	REGULAR PREFERRED DISTRIBUTION
Total for 1998*	$ –	$ –	$ –	$ 0.441600
Total for 1999	1.80	6.40	8.20	0.874903
Total for 2000	1.20	1.50	2.70	0.876778
Total for 2001	1.05	0.10	1.15	0.873839
Total for 2002	–	–	–	0.643526
Total for 2003	–	–	–	0.825000
Total for 2004	–	–	–	0.825000
Total for 2005	–	–	–	0.825000
Total for 2006	–	–	–	0.825000
Total for 2007	–	–	–	0.825000
Total for 2008*	–	–	–	0.412500
Total Distributions to Date	**$ 4.05**	**$ 8.00**	**$ 12.05**	**$ 8.248146**

*Distributions are shown above on a calendar year basis to reflect amounts subject to tax in the year in which they are paid.

Trading History



Results of Operations

For the year ended June 29, 2008, the net asset value of the Fund for pricing purposes based on closing prices was $12.48 per unit (see Note 4 to the financial statements) a decrease from $13.90 per unit at June 29, 2007. The Fund's Preferred shares, listed on the Toronto Stock Exchange as GT.PR.A, closed on June 29, 2008, at $12.01 per share. The Fund's Class A shares, listed on the Toronto Stock Exchange as GT.A, closed on June 29, 2008, at $0.05 per share. Each Unit consists of one Preferred share and one Class A share together.

Distributions totalling $0.83 per share were made to the Preferred shareholders during the fiscal year, maintaining a 5.5 percent yield based on the initial price of these shares. Distributions to Class A shareholders remain suspended.

Volatility was low throughout the period and distributions were generated with a combination of capital gains and option premiums. A portion of the Fund's U.S. dollar exposure was hedged against fluctuations in the exchange rate for Canadian dollars.

The MSCI World Telecom Services Index had a return of negative 13.17 percent in Canadian dollars slightly outperforming the S&P/TSX Telecom Sector Index which had a one year total return of negative 14.61 percent and the S&P 500 Telecom Service Index which had a negative 23.07 percent return in Canadian dollars. The one year return for the Fund in Canadian dollars, including reinvestment of distributions, was negative 4.51 percent. The Fund outperformed the MSCI World Telecom Services Index due to the systematic liquidation of the assets of the Fund during the latter part of May and early June. This left the Fund with a large cash component while the telecom services sector and the market in general declined in the latter part of June.

For more detailed information on the investment returns, please see the Annual Total Return bar graph and the Annual Compound Returns table on page 6 and 7 of this report.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years. This information is derived from the Fund's audited annual financial statements.

For June 29, 2008 and June 29, 2007, the Net Assets included in the Net Assets per Unit table is from the Fund's financial statements and calculated using bid prices while the Net Asset Value included in the Ratios/Supplemental Data table is for Fund pricing purposes and calculated using closing prices (see Notes 2 and 4 to the Financial Statements). All other calculations for the purposes of this MRFP are made using Net Asset Value.

Years ended June 29

	2008	2007	2006	2005	2004
THE FUND'S NET ASSETS PER UNIT					
Net Assets, beginning of year (based on bid prices)[1]	**$ 13.89**	$ 11.49[4]	$ 11.81	$ 12.28	$ 12.19
INCREASE (DECREASE) FROM OPERATIONS					
Total revenue	**0.38**	0.52	0.29	0.32	0.19
Total expenses	**(0.33)**	(0.27)	(0.24)	(0.22)	(0.24)
Realized gains (losses) for the period	**0.73**	0.27	0.48	(0.69)	0.93
Unrealized gains (losses) for the period	**(1.34)**	2.74	(0.02)	0.94	0.03
Total Increase (Decrease) from Operations[2]	**(0.56)**	**3.26**	**0.51**	**0.35**	**0.91**
DISTRIBUTIONS					
Preferred Shares					
From net investment income	**(0.83)**	(0.83)	(0.83)	(0.83)	(0.83)
Total Annual Distributions[3]	**(0.83)**	**(0.83)**	**(0.83)**	**(0.83)**	**(0.83)**
Net Assets, as at June 29 (based on bid prices)[1]	**$ 12.48**	**$ 13.89**	**$ 11.52**	**$ 11.81**	**$ 12.28**

(1) Net Assets per unit is the difference between the aggregate value of the assets of the Fund and the aggregate value of the liabilities excluding Preferred shares of the Fund on that date and including the valuation of securities at bid prices divided by the number of units then outstanding. For years prior to 2006, securities were valued at closing prices. The change to the use of bid prices is due to new accounting standards set out by the Canadian Institute of Chartered Accountants relating to Financial Instruments. Refer to Note 4 to the financial statements for further discussion.
(2) Total increase (decrease) from operations consists of interest and dividend revenue, realized and unrealized gains (losses), net of withholding taxes and foreign exchange gains (losses), less expenses, excluding Preferred share distributions, and is calculated based on the weighted average number of units outstanding during the year. The schedule is not intended to total to the ending net assets as calculations are based on the weighted average number of units outstanding during the year.
(3) Distributions to shareholders are based on the number of units outstanding on the record date for each distribution and were paid in cash.
(4) Net Assets per unit has been adjusted for the Transition Adjustment (see Note 2 of the Financial Statements).

RATIOS/SUPPLEMENTAL DATA

	2008	2007	2006	2005	2004
Net Asset Value ($millions)[1]	**$ 25.79**	$ 31.96	$ 30.52	$ 34.54	$ 36.04
Number of units outstanding[1]	**2,066,808**	2,299,108	2,650,058	2,925,858	2,934,858
Management expense ratio[2]	**2.29%**	1.95%	1.91%	1.82%	1.86%
Portfolio turnover rate[3]	**15.35%**	42.05%	64.48%	58.87%	59.85%
Trading expense ratio[4]	**0.14%**	0.12%	0.19%	0.12%	0.19%
Net Asset Value per Unit[5]	**$ 12.48**	$ 13.90	$ 11.52	$ 11.81	$ 12.28
Closing market price - Preferred	**$ 12.01**	$ 13.37	$ 10.90	$ 11.30	$ 12.00
Closing market price - Class A	**$ 0.05**	$ 0.23	$ 0.23	$ 0.31	$ 0.75

(1) This information is provided as at June 29. One Unit represents one Class A share and one Preferred share.
(2) Management expense ratio is the ratio of all fees and expenses, including goods and services taxes and capital taxes but excluding transaction fees and income taxes and Preferred share distributions, charged to the Fund to the average net asset value, excluding the liability for the Redeemable Preferred shares.
(3) Portfolio turnover rate is calculated based on the lesser of purchases or sales of investments, excluding short-term investments, divided by the average value of the portfolio securities. 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.
(4) Trading expense ratio represents total commissions expressed as an annualized percentage of the daily average net asset value during the period.
(5) 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 excluding Preferred shares of the Fund on that date and including the valuation of securities at closing prices divided by the number of units then outstanding.

Management Fees

Mulvihill Capital Management Inc. ("MCM") is entitled to fees under the Investment Management Agreement calculated monthly as 1/12 of 1.15 percent of the net asset value of the Fund at each month end, excluding the liability for Redeemable Preferred shares. Services received under the Investment Management Agreement include the making of all investment decisions and the writing of covered call options in accordance with the investment objectives, strategy and criteria of the Fund. MCM also makes all decisions as to the purchase and sale of securities in the Fund's portfolio and the execution of all portfolio and other transactions.

Mulvihill Fund Services Inc. is entitled to fees under the Management Agreement calculated monthly as 1/12 of 0.10 percent of the net asset value of the Fund at each month end, excluding the Redeemable Preferred shares. Services received under the Management Agreement include providing or arranging for required administrative services to the Fund.

Recent Developments

The Fund's investment portfolio was liquidated on a systematic basis over May and June of 2008 due to its pending termination.

Past Performance

The chart below sets out the Fund's year-by-year past performance. It is important to note that:

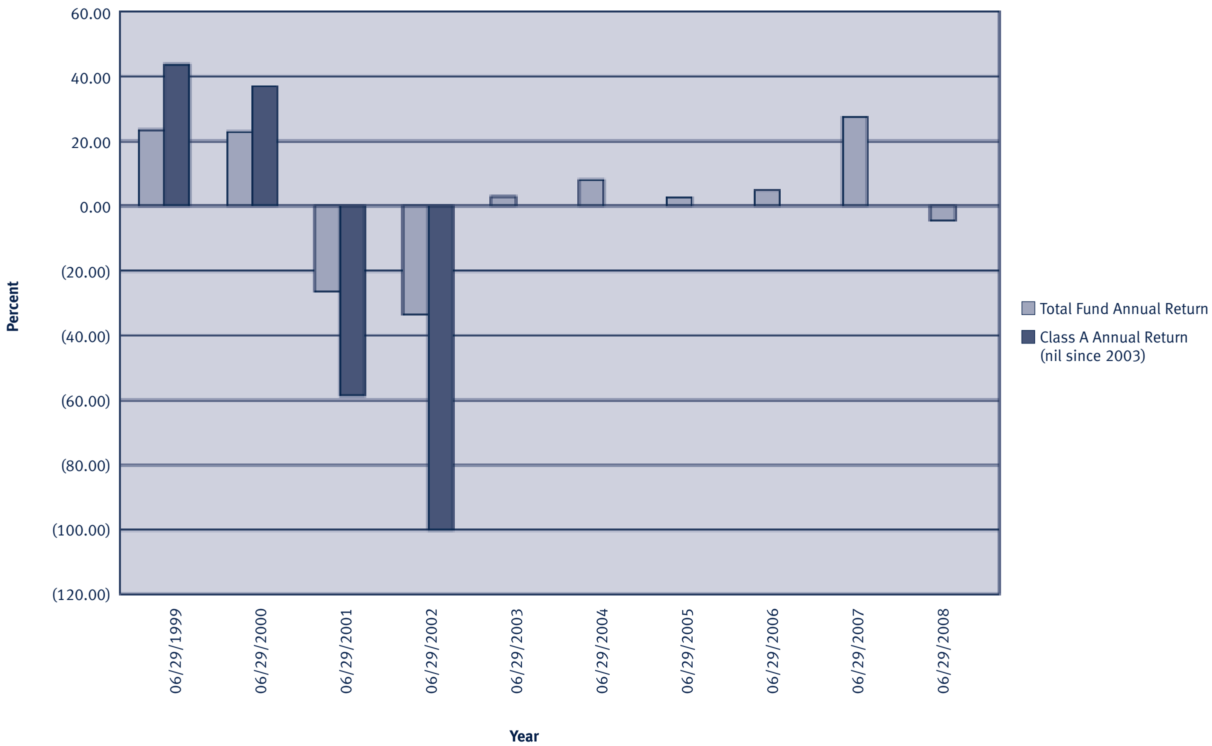
(1) the information shown assumes that all distributions made by the Fund during these periods were reinvested in the Fund, and

(2) the information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns.

Year-By-Year Returns

The bar chart below illustrates how the Fund's total annual return for each of the past ten years has varied from year to year. The chart also shows, in percentage terms, how much an investment made on June 30 in each year or the date of inception in 1998 would have increased or decreased by the end of that fiscal year.

Annual Total Return



Annual Compound Returns

The following table shows the Fund's historical annual compound total return for the periods ended June 29, 2008, as compared to the performance of the MSCI World Telecom Services Index.

(In Canadian Dollars)	One Year	Three Years	Five Years	Since Inception*
Mulvihill Premium Global Telecom Fund	**(4.51)%**	8.47%	7.18%	0.74 %
Mulvihill Premium Global Telecom Fund - Class A	**0.00 %**	0.00%	0.00%	(15.92)%
Mulvihill Premium Global Telecom Fund - Preferred	**(4.51)%**	8.47%	7.18%	4.34 %
In order to meet regulatory requirements the performance of a broad based market index has been included below.				
MSCI World Telecom Services Index**	**(13.17)%**	2.37%	3.80%	(3.71)%

* From date of inception on June 30, 1998.

** The MSCI World Telecom Services Index is a capitalization weighted index that monitors the performance of telecom services stocks from around the world. The return includes index price appreciation from June to December 1998 and total return from December 1998 onwards.

The equity performance benchmark shown here provides an approximation of how the Fund's returns compare to a public market index for similar securities. It is important to note that the Fund is not managed in order to match or exceed this index; rather, its objectives are to pay out quarterly dividends and return the original invested amount at the termination date. As a result, the Fund has, from time to time, maintained cash balances in an effort to provide greater net asset value stability and employs a covered option writing strategy to generate the distributions.

These investment strategies result in a rate of return for the Fund that differs from that of a conventional, fully-invested portfolio. During periods of strongly rising markets, the Fund's approach will tend to underperform a comparable fully-invested portfolio of the same stocks as the Fund is not fully invested and writing covered call options generally limits portfolio performance to the option premium received. In periods of declining markets, however, the Fund's defensive cash balances help to protect net asset value, and covered option writing income provides returns exceeding those of a conventional portfolio.

Related Party Transactions

Mulvihill Capital Management Inc. ("MCM") manages the Fund's investment portfolio in a manner consistent with the investment objectives, strategy and criteria of the Fund pursuant to an Investment Management Agreement made between the Fund and MCM dated June 18, 1998.

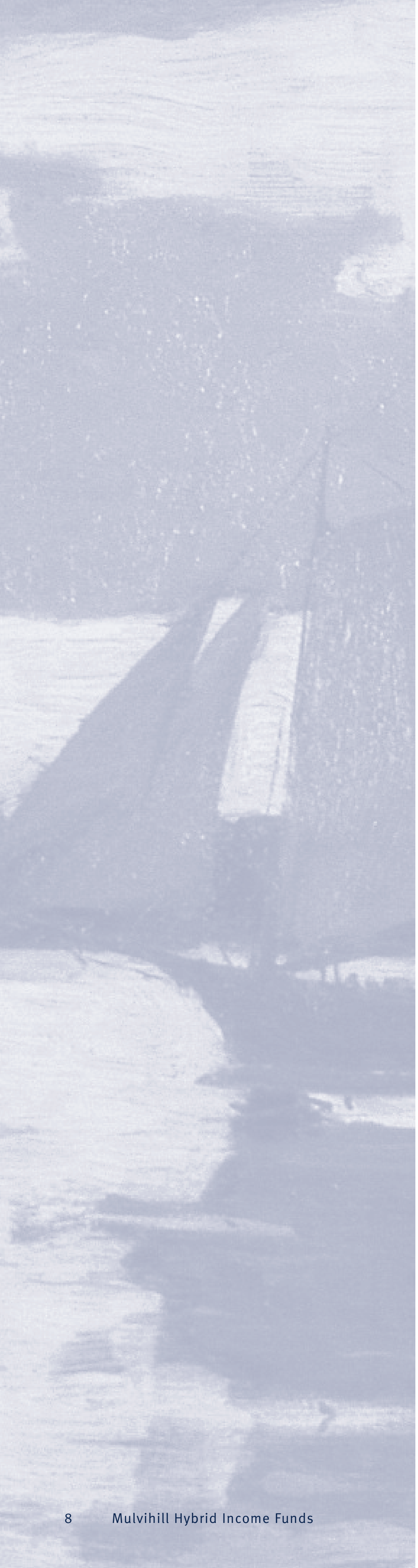
Mulvihill Fund Services Inc. ("Mulvihill") is the Manager of the Fund pursuant to a Management Agreement made between the Fund and Mulvihill dated June 18, 1998, and, as such, is responsible for providing or arranging for required administrative services to the Fund. Mulvihill is a wholly-owned subsidiary of MCM. These parties are paid the fees described under the Management Fees section of this report.

Forward-Looking Statements

This report may contain forward-looking statements about the Fund. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also forward-looking. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to any divergence between what is anticipated and what actually occurs, including, but not limited to, general economic, political and market factors, interest and foreign exchange rates, global equity and capital markets, business competition, technology change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

The above-mentioned list of important factors is not exhaustive. You should consider these and other factors carefully before making any investment decisions and you should avoid placing undue reliance on forward-looking statements. While the Fund currently anticipates that subsequent events and developments may cause the Fund's views to change, the Fund does not undertake to update any forward-looking statements.



Management's Responsibility for Financial Reporting

The accompanying financial statements of Global Telecom Split Corp. (operating as Mulvihill Premium Global Telecom 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 approved by the Board of Directors (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 2 of the annual 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 Audit Committee 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 Audit Committee and the Board.

John P. Mulvihill
Director
Mulvihill Fund Services Inc.

Sheila S. Szela
Director
Mulvihill Fund Services Inc.

July 25, 2008

To the Shareholders of Global Telecom Split Share Corp.

We have audited the accompanying statement of investments of Global Telecom Split Share Corp. (operating as Mulvihill Premium Global Telecom Fund) (the "Fund") as at June 29, 2008, the statements of financial position as at June 29, 2008 and 2007 and the statements of operations and deficit, of changes in net assets, and of changes in investments for the years then ended. These financial statements are the responsibility of the Fund's management. 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 management, 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 as at June 29, 2008 and 2007, and the results of its operations, the changes in its net assets and its investments for the years then ended, in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

Chartered Accountants
Licensed Public Accountants
Toronto, Ontario

July 25, 2008

Statements of Financial Position

June 29, 2008 and 2007

	2008	2007
ASSETS		
Investments at fair value (cost - nil; 2007 - $27,585,971)	$ –	$ 30,470,547
Short-term investments at fair value (cost - $26,631,402; 2007 - $2,008,725)	**26,631,402**	1,999,123
Cash	**43,872**	3,528
Interest and dividends receivable	**99,691**	94,731
TOTAL ASSETS	**$ 26,774,965**	**$ 32,567,929**
LIABILITIES		
Accrued preferred share distributions (Note 6)	**$ 852,558**	$ 474,191
Accrued management fees	**25,573**	31,775
Accrued liabilities	**103,908**	132,707
Redeemable preferred shares (Note 3)	**25,792,926**	31,929,256
	26,774,965	**32,567,929**
EQUITY		
Class A and Class B shares (Note 3)	**28,339,596**	31,524,840
Deficit	**(28,339,596)**	(31,524,840)
	–	**–**
TOTAL LIABILITIES AND EQUITY	**$ 26,774,965**	**$ 32,567,929**
Number of Units Outstanding (Note 3)	**2,066,808**	**2,299,108**
Net Assets per Unit		
Preferred share	**$ 12.4796**	$ 13.8877
Class A share	**–**	–
	$ 12.4796	**$ 13.8877**

* See Subsequent Event Note 11.

On Behalf of the Board of Directors

John P. Mulvihill, Director

Robert W. Korthals, Director

Statements of Operations and Deficit

Years ended June 29, 2008 and 2007

	2008	2007
REVENUE		
Interest, net of foreign exchange	$ 89,959	$ 417,260
Dividends	787,477	965,789
Withholding taxes	(65,054)	(96,242)
	812,382	1,286,807
Net realized gains (losses) on investments	(374,810)	897,540
Net realized losses on short-term investments	(8,174)	(3,484)
Net realized gains (losses) on derivatives	1,961,422	(225,288)
Total Net Realized Gains	1,578,438	668,768
TOTAL REVENUE	2,390,820	1,955,575
EXPENSES		
Management fees	361,974	403,213
Administrative and other expenses	108,926	54,244
Transaction fees (Notes 2 and 8)	40,234	38,342
Custodian fees	30,218	34,091
Audit fees	30,892	29,892
Director fees	18,238	18,567
Independent review committee fees	2,706	–
Legal fees	25,166	14,181
Shareholder reporting costs	27,295	36,182
Capital taxes	26,519	–
Goods and services tax	31,875	36,324
TOTAL EXPENSES	704,043	665,036
Net Realized Income before Income Taxes and Distributions	1,686,777	1,290,539
Income taxes	–	(126,000)
Net Realized Income before Distributions	1,686,777	1,164,539
Preferred share distributions	(1,756,648)	(2,027,217)
Net Realized Loss	(69,871)	(862,678)
Net change in unrealized appreciation/depreciation of investments	(2,884,576)	6,855,671
Net change in unrealized appreciation/depreciation of short-term investments	9,891	(20,671)
Total Net Change in Unrealized Appreciation/Depreciation of Investments	(2,874,685)	6,835,000
Net Income (Loss) before Reduction/(Recovery) in Value of Preferred Shares	(2,944,556)	5,972,322
Reduction/(recovery) in value of preferred shares	2,944,556	(5,972,322)
NET INCOME FOR THE YEAR	$ –	$ –
NET INCOME PER CLASS A SHARE		
(based on the weighted average number of Class A shares outstanding during the year of 2,148,251; 2007 - 2,493,621)	$ –	$ –
DEFICIT		
Balance, beginning of year	$ (31,524,840)	$ (36,336,986)
Net allocations on retraction	3,185,244	4,812,146
Distributions on Class A shares	–	–
BALANCE, END OF YEAR	$ (28,339,596)	$ (31,524,840)

Statements of Changes in Net Assets

Years ended June 29, 2008 and 2007

	2008	2007
NET ASSETS - CLASS A AND CLASS B SHARES, BEGINNING OF YEAR	$ –	$ –
Reduction/(Recovery) in Value of Preferred Shares		
Transition Adjustment (Note 2)	–	(71,961)
Reduction/(Recovery) in Value of Preferred Shares	**2,944,556**	(5,900,361)
	2,944,556	**(5,972,322)**
Net Realized Income before Distributions	**1,686,777**	**1,164,539**
Distributions		
Preferred shares		
From net investment income	**(1,756,648)**	**(2,027,217)**
Net Change in Unrealized Appreciation/Depreciation of Investments	**(2,874,685)**	**6,835,000**
Changes in Net Assets during the Year	–	–
NET ASSETS - CLASS A AND CLASS B SHARES, END OF YEAR	$ –	$ –

The statement of changes in net assets excludes cash flows pertaining to the Preferred shares as they are reflected as liabilities. During the period, amounts paid for the redemption of 232,300 Preferred shares (2007 - 350,950) totalled $3,239,726 (2007 - $4,556,315).

Statements of Changes in Investments

Years ended June 29, 2008 and 2007

	2008	2007
INVESTMENTS AT FAIR VALUE, BEGINNING OF YEAR	**$ 30,470,547**	$ 28,395,041
Unrealized appreciation/depreciation of investments, beginning of year	**(2,884,576)**	3,899,134
Investments at Cost, Beginning of Year	**27,585,971**	**32,294,175**
Cost of Investments Purchased during the Year	**3,619,192**	**12,309,214**
Cost of Investments Sold during the Year		
Proceeds from sales	**32,791,775**	17,689,670
Net realized gains on sales	**1,586,612**	672,252
	31,205,163	**17,017,418**
Investments at Cost, End of Year	–	**27,585,971**
Unrealized Appreciation of Investments, End of Year	–	**2,884,576**
INVESTMENTS AT FAIR VALUE, END OF YEAR	$ –	**$ 30,470,547**

Statement of Investments

June 29, 2008

	Par Value	Average Cost	Fair Value	% of Portfolio
SHORT-TERM INVESTMENTS				
Treasury Bills				
Government of Canada, 2.69% - July 10, 2008	150,000	$ 148,620	$ **148,620**	
Government of Canada, 2.25% - July 24, 2008	50,000	49,606	**49,606**	
Government of Canada, 2.56% - August 7, 2008	6,780,000	6,742,640	**6,742,640**	
Government of Canada, 2.59% - September 18, 2008	19,815,000	19,690,536	**19,690,536**	
Total Treasury Bills		**$ 26,631,402**	**$ 26,631,402**	99.9%
Accrued Interest			**33,653**	0.1%
TOTAL SHORT-TERM INVESTMENTS		**$ 26,631,402**	**$ 26,665,055**	**100.0%**

1. Corporate Information

Global Telecom Split Share Corp. (the "Fund") is a mutual fund corporation incorporated under the laws of the Province of Ontario on May 7, 1998. The Fund was inactive prior to the initial public offering of Preferred shares and Class A shares on June 30, 1998. All shares outstanding on July 2, 2008 will be redeemed by the Fundon that date unless unitholders determine to continue the Fund by a majority vote at a meeting called for such purpose.

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

The Fund invests in a diversified portfolio consisting principally of common shares and American Depository Receipts ("ADRs") issued by selected corporations operating in the global telecommunications industry. 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.

To generate additional returns above the dividend income earned on the portfolio, the Fund will 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 all of the 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.

Foreign exchange forward contracts may be used to hedge the Fund's exposure to potential fluctuations in foreign exchange or as a means to gain exposure to other currencies. The hedging strategy can include the hedging of all or a portion of the currency exposure of an existing investment or group of investments and will vary based upon the manager's assessment of market conditions. There can be no assurance that the use of foreign exchange forward contracts will be effective. Losses may arise due to changes in the value of the foreign currency or if the counterparty does not perform under the contract.

From time to time, the portfolio may include debt securities having a remaining term to maturity of less than one year issued or guaranteed by the government of Canada or a province or the government of the United States of America or short-term commercial paper with a rating of at least R-1 (mid).

2. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting standards ("GAAP"), 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 value determined as follows:

Securities are valued at fair value, which is determined by the closing bid price on the recognized stock exchange on which the securities are listed or principally traded. If no bid prices are avaliable, the securities are valued at the closing sale price.

Short-term investments are included in the statement of investments at their cost including applicable foreign exchange translations. This value, together with accrued interest, approximates fair value at bid price.

Listed options are valued at fair values as reported on recognized exchanges. Over the counter options are valued using the Black-Scholes valuation model.

Transaction Fees

Transaction fees have been expensed as incurred and included in the transaction fees line in the Statement of Operations and Deficit. Transaction fees are costs that are directly attributable to portfolio transactions which include fees and commissions paid to brokers and dealers.

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 net realized gains (losses) on derivatives.

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 the unrealized appreciation (depreciation) of investments. Premiums received on written put options that are exercised are included in the cost of the security purchased.

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, as the case may be, were to be closed out.

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.

Redeemable Preferred Shares

Each redeemable Preferred share is valued for financial statement purposes at the lesser of: (i) $15.00; and (ii) the net assets of the Fund divided by the number of Preferred shares outstanding. The net assets is equal to the difference between the aggregate value of the assets of the Fund and the aggregate value of the liabilities excluding Preferred shares of the Fund on a particular date and including the valuation of securities at bid price less $1,000.

Cash Flow Statements

Cash flow statements have not been prepared as all relevant information has been included in the Statements of Changes in Net Assets, Statements of Changes in Investments and elsewhere in these financial statements.

New Accounting Standards

The Fund has adopted, effective June 30, 2006, the Canadian Institute of Chartered Accountants new accounting standards relating to Financial Instruments. The new standards require that the fair value of securities which are traded in active markets be measured based on bid price and transaction fees, such as brokerage commissions, incurred in the purchase or sale of securities by the Fund be charged to net income in the period incurred.

As a result of the adoption of these new standards, the Fund recorded a transition adjustment to the Recovery/Reduction in Value of Preferred Shares in the amount of $71,961 in 2007. This transition adjustment represents the adjustment to fair value of investments from the closing sale price to the closing bid price as of June 29, 2006.

As a result of regulatory relief received from the Canadian Securities Administrators, on implementation of the new standards, the above changes will not impact the net asset value per unit used to transact units of the Fund which will continue to be based upon securities valued at the last sale price. The relief is effective until September 2008.

3. Share Capital

The Fund is authorized to issue an unlimited number of Preferred and Class A shares and 1,000 Class B shares.

All Preferred shares and Class A shares outstanding on July 2, 2008 will be redeemed by the Fund on that date unless unitholders determine to continue the Fund by a majority vote at a meeting called for such purpose (see Note 11).

Preferred shares and Class A shares may be surrendered at any time for retraction at specified retraction amounts. Holders of Preferred shares and Class A shares may concurrently retract one Preferred share and one Class A share (together, a “Unit”) on a June month end valuation date at their net asset values. Shares retracted at any other valuation date or not retracted concurrently at a June month end valuation date will be retracted at a discount to their net asset values. 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 Preferred shares and Class A shares tendered for retraction. The Preferred shares rank in priority to the Class A shares and the Class A shares rank in priority to the Class B shares with respect to the payment of dividends and repayment of capital on the dissolution, liquidation or winding up of the Fund.

The holders of Class B shares are not entitled to receive dividends. The Class B shares are retractable at a price of $1.00 per share. Mulvihill Capital Management Inc. ("MCM") owns all of the issued and outstanding Class B shares.

Class B shares are entitled to one vote per share. Preferred shares and Class A shares are entitled to vote on certain shareholder matters.

The Fund's Preferred shares have been classified as liabilities in accordance with the accounting guidelines of The Canadian Institute of Chartered Accountants. Accordingly, net income for the year is stated after Preferred shares distributions.

A net of 232,300 (2007 - 350,950) each of Preferred shares and Class A shares with a retraction value of $3,239,726 (2007 - $4,556,315) were redeemed during the year. Subsequent to the year end, 12,900 units were surrendered for concurrent retraction (2007 - 70,750).

Issued and Outstanding

		2008		2007
Preferred shares				
2,066,808 (2007 - 2,299,108)	$	**25,792,926**	$	**31,929,256**
Class A shares				
2,066,808 (2007 - 2,299,108)	$	**28,338,596**	$	31,523,840
Class B shares				
1,000 (2007 - 1,000)		**1,000**		1,000
	$	**28,339,596**	$	**31,524,840**

4. Net Asset Value and Net Assets

For financial statement reporting purposes, the Fund applies Canadian generally accepted accounting principles requiring the Fund to value its securities using bid price. However, pursuant to a temporary exemption provided by the Canadian securities regulatory authorities, the Fund can calculate its net asset value using last sale price.

The difference between the net asset value for pricing purposes and the net assets reflected in the financial statements is as follows:

	2008	2007
Net Asset Value (for pricing purposes)	**$ 12.48**	$ 13.90
Difference	**(0.00)**	(0.01)
Net Assets (for financial statement purposes)	**$ 12.48**	$ 13.89

5. Management Fees and Expenses

The Fund is responsible for all ongoing custodial, manager, legal, accounting and audit fees as well as all other expenses incurred by the custodian and manager in the ordinary course of business relating to the Fund's operations.

Fees are paid to Mulvihill Capital Management Inc. ("MCM") under the terms of an investment management agreement and to Mulvihill Fund Services Inc. ("Mulvihill") under the terms of a management agreement. The fees are comprised of monthly fees calculated at 1/12 of 1.15 percent and 1/12 of 0.10 percent, respectively, of the net asset value of the Fund at each month end, excluding the Redeemable Preferred share liability.

6. Distributions

Preferred shares are entitled to a cumulative preferential quarterly dividend of $0.20625 per share payable on the last day of September, December, March and June in each year. To the extent that a quarterly dividend is a capital gains dividend funded by net realized capital gains or option premiums, holders of Preferred shares will receive an additional capital gains dividend of $0.068 for each $1.00 of Preferred share dividend so funded.

The Fund suspended payment of cumulative preferential dividends on Preferred shares in its first quarter ended September 30, 2002. The Fund reinstated the cumulative preferential dividends on the Preferred shares in its second quarter ended December 31, 2002. The accrued Preferred share distributions include dividends of $852,558 (2007 - $474,191) in arrears and the Fund shall pay such arrears on termination.

7. Income Taxes

The Fund is a "mutual fund corporation" as defined in the Income Tax Act (Canada) (the "Act") and is subject to tax in respect of its net realized capital gains. This tax is refundable in certain circumstances. Also, the Fund is generally subject to a tax of 33 1/3 percent under Part IV of the Act on taxable dividends received in the year. This tax is fully refundable upon payment of sufficient dividends. The Fund is also subject to tax on the amount of its interest and foreign dividend income that is not offset by operating expenses and share issue expenses. The amount paid in respect of income taxes for 2008 was $118,519 (2007 - $4,282).

The Fund is also a "financial intermediary corporation" as defined in the Act and, as such, is not subject to tax under Part IV.1 of the Act on dividends received nor is it generally liable to tax under Part VI.1 on dividends paid on taxable preferred shares.

Under the dividend policy of the Fund, premiums received in respect of written options that are still outstanding at year end are not to be distributed in the year to the shareholders. The premiums retained by the Fund are subject to the refundable capital gains tax.

Capital losses of approximately $44 million (2007 - $46 million) are available for utilization against realized gains on sales of investments in future years. Capital losses can be carried forward indefinitely.

The Fund has offset the future tax liability for refundable taxes payable with the refund expected upon payment of capital gains or ordinary dividends. As a result, the future tax liability for refundable taxes payable is eliminated.

8. Transaction Fees

Total transaction fees paid for the year in connection with portfolio transactions were $40,234 (2007 - $38,342). Of this amount $8,939 (2007 - $3,887) was directed for payment of trading related goods and services.

9. Normal Course Issuer Bid

Under the terms of the Fund's normal course issuer bid, renewed in November 2007, the Fund proposes to purchase, if considered advisable, up to a maximum 218,951 (2007 - 251,936) of its Class A shares and 218,951 (2007 - 251,936) of its Preferred shares being approximately, 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 November 12, 2008 or until the Fund has purchased the maximum number of shares permitted under the bid. As at June 29, 2008, no shares (2007 - nil) have been purchased by the Fund.

Shareholders 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 Telecom Fund, Investor Relations, 121 King Street West, Suite 2600, Toronto, Ontario, M5H 3T9.

10. Financial Instruments and Risk Management

The Fund's financial instruments consist of cash and short-term investments. As a result, the Fund is exposed to liquidity risk, interest rate risk, market risk and credit risk.

Liquidity Risk

Liquidity risk is the possibility that investments in the Fund cannot be readily converted into cash when required. As at June 29, 2008, all investments were held in cash and cash equivalents pending the termination of the Fund on July 2, 2008 minimizing any liquidity risk to the Fund.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of fixed income securities. The financial instruments which potentially expose the Fund to interest rate risk are the short term fixed income securities. The Fund has minimal sensitivity to change in rates since they are usually held to maturity and short-term in nature.

Market Risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Fund did not have any other significant market risk due to the short-term nature of investments.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Fund limits its exposure to credit loss by placing its cash and short-term investments with high credit quality government and financial institutions.

11. Subsequent Event

The Fund terminated on July 2, 2008. As a result of the termination, the Manager of the Fund was authorized to distribute all the net assets of the Fund to its shareholders according to each shareholder's pro-rata share. On termination, the shareholders were paid $12.4838 per Unit plus any accrued and unpaid dividends to date amounting to $0.20625 per Preferred share. One Unit represents one Class A and one Preferred share.

Statement of Corporate Governance Practices

The Board of Directors of the Fund is responsible for the overall stewardship of the Fund's business and affairs. The Fund has investment objectives and investment strategies that are set out in the prospectus of the Fund. The Fund's manager, Mulvihill Fund Services Inc. (the "Manager"), administers many functions associated with the operations of the Fund pursuant to a management agreement entered into at the time the Fund issued its shares to the public. Under this agreement the Manager is responsible for certain day to day operations of the Fund including the payment of distributions on its shares and attending to the retraction or redemption of its shares in accordance with their terms.

The Board consists of five directors, three of whom are independent of the Fund. The Board believes that the number of directors is appropriate for the Fund and only directors independent of the Fund are compensated. Amounts paid as compensation are reviewed for adequacy to ensure that they realistically reflect the responsibilities and risk involved in being an effective director. Individual directors may engage an outside advisor at the expense of the Fund in appropriate circumstances subject to the approval of the Board.

To assist the Board in its monitoring of the Fund's financial reporting and disclosure, the Board has established, and hereby continues the existence of, a committee of the Board known as the Audit Committee. The Audit Committee consists of three members, all of whom are independent of the Fund. The responsibilities of the Audit Committee include, but are not limited to, review of the annual financial statements and the annual audit performed by the external auditor and oversight of the Fund's compliance with tax and securities laws and regulations. The Audit Committee has direct communication channels with the external auditors to discuss and review specific issues as appropriate.

The Board is responsible for developing the Fund's approach to governance issues and, together with the Investment Manager, is evolving a best practices governance procedure.

The Fund maintains an Investor Relations line and web site to respond to inquiries from shareholders.

Independent Review Committee

On September 19, 2006, the Canadian Securities Administrators approved the final version of National Instrument 81-107 - Independent Review Committee for Investment Funds ("NI 81-107"). NI 81-107 requires all publicly offered investment funds to establish an independent review committee ("IRC") to whom the Manager must refer conflict of interest matters for review or approval. NI 81-107 also imposes obligations upon the Manager to establish written policies and procedures for dealing with conflict of interest matters, maintaining records in respect of these matters and providing assistance to the IRC in carrying out its functions.

In accordance with NI 81-107, the IRC became operational on November 1, 2007. Members of the IRC are Robert W. Korthals, C. Edward Medland, and Michael M. Koerner.

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 period June 30, 2007 to June 29, 2008	
MULVIHILL PLATINUM			
Mulvihill *Government Strip Bond Fund*	**GSB.UN**	$ 22.45	$ 19.54
Mulvihill Pro-AMS *U.S. Fund*	**PAM.UN**	$ 23.00	$ 20.91
Mulvihill Pro-AMS *100 Plus (Cdn $) Fund*	**PRC.UN**	$ 19.54	$ 17.30
Mulvihill Pro-AMS *100 Plus (U.S. $) Fund*	**PRU.U**	$ 16.50	$ 14.01
Mulvihill Pro-AMS *RSP Split Share Fund*	**SPL.A/SPL.B**	$ 9.15/$15.70	$ 8.02/$13.89
MULVIHILL PREMIUM			
Mulvihill *Core Canadian Dividend Fund*	**CDD.UN**	$ 10.00	$ 7.35
Mulvihill Premium *Canadian Fund*	**FPI.UN**	$ 18.75	$ 15.32
Mulvihill Premium *60 Plus Fund*	**SIX.UN**	$ 17.74	$ 14.00
Mulvihill Premium *Global Plus Fund*	**GIP.UN**	$ 11.48	$ 8.50
Mulvihill Premium *Canadian Bank Fund*	**PIC.A/PIC.PR.A**	$ 11.39/$15.99	$ 5.02/$14.02
Mulvihill Premium *Split Share Fund*	**MUH.A/MUH.PR.A**	$ 7.28/$15.65	$ 4.70/$13.06
Mulvihill Premium *Global Telecom Fund*	**GT.A/GT.PR.A**	$ 0.28/$14.10	$ 0.02/$11.35
Mulvihill *S Split Fund*	**SBN/SBN.PR.A**	$ 13.93/$10.50	$ 7.65/$ 9.55
Mulvihill *Top 10 Canadian Financial Fund*	**TCT.UN**	$ 15.30	$ 11.64
Mulvihill *Top 10 Split Fund*	**TXT.UN/TXT.PR.A**	$ 10.40/$13.56	$ 5.85/$12.12
Mulvihill *World Financial Split Fund*	**WFS/WFS.PR.A**	$ 11.74/$10.75	$ 5.55/$ 9.01

Board of Directors

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.

** Audit Committee/Independent Review Committee*

Information

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

Transfer Agent:
Computershare Investor Services Inc.
100 University Avenue, 8th Floor
Toronto, Ontario M5J 2Y1

Shares Listed:
Toronto Stock Exchange
trading under
GT.A/GT.PR.A

Custodian:
RBC Dexia Investor Services
Royal Trust Tower
77 King Street West, 11th Floor
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 *Government Strip Bond Fund*
Mulvihill Pro-AMS *U.S. 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 *Core Canadian Dividend Fund*
Mulvihill Premium *Canadian 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 *S Split Fund*
Mulvihill *Top 10 Canadian Financial Fund*
Mulvihill *Top 10 Split Fund*
Mulvihill *World Financial Split Fund*

Head Office:

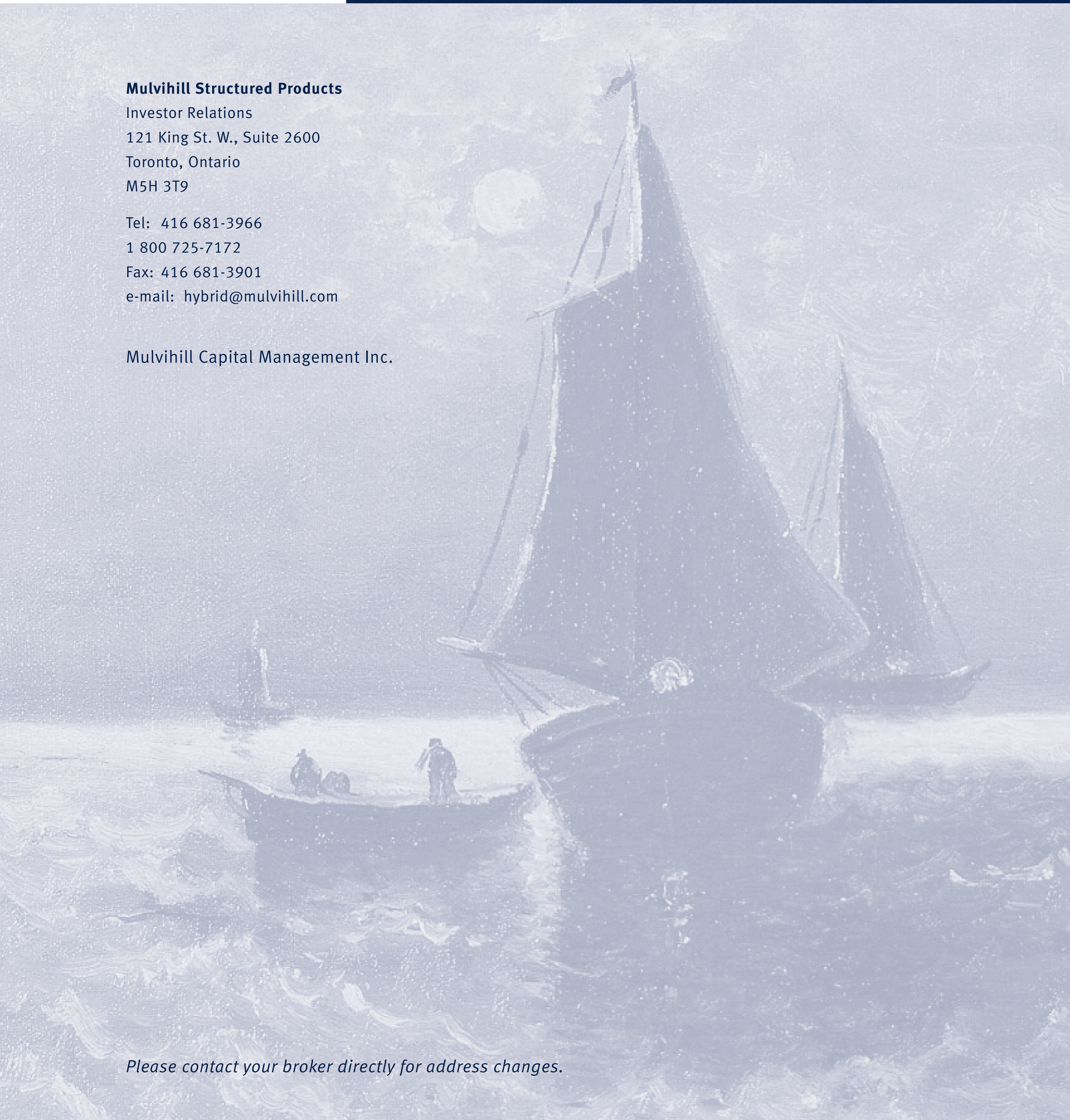
Mulvihill Capital Management Inc.
121 King St. W., Suite 2600
Toronto, Ontario
M5H 3T9

Tel: 416 681-3966
1 800 725-7172
Fax: 416 681-3901
e-mail: hybrid@mulvihill.com

Contact your broker directly for address changes.

Mulvihill

www.mulvihill.com



Mulvihill Structured Products
Investor Relations
121 King St. W., Suite 2600
Toronto, Ontario
M5H 3T9

Tel: 416 681-3966
1 800 725-7172
Fax: 416 681-3901
e-mail: hybrid@mulvihill.com

Mulvihill Capital Management Inc.

Please contact your broker directly for address changes.