



## Hybrid Income Funds



Semi-Annual Report 2007

**Mulvihill Premium *60 Plus Fund***

60 Plus Income Trust



**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 six months ended June 30, 2007 of 60 Plus Income Trust, which operates as Mulvihill Premium 60 Plus Fund (the “Fund”). The June 30, 2007 unaudited semi-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 be 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](http://www.mulvihill.com). You can also get a copy of the annual financial statements at your request and at no cost by using one of these methods.

# Mulvihill Premium 60 Plus Fund

## Management Report on Fund Performance

### 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](http://www.mulvihill.com).

#### Asset Mix

June 30, 2007

	% of Net Asset Value
Financials	32%
Energy	23%
Materials	11%
Cash and Short-Term Investments	7%
Industrials	6%
Telecommunication Services	6%
Consumer Discretionary	6%
Information Technology	5%
Consumer Staples	2%
Other Assets (Liabilities)	2%
	100%

#### Top 25 Holdings

June 30, 2007

	% of Net Asset Value
Cash and Short-Term Investments	7%
EnCana Corporation	6%
Royal Bank of Canada	6%
Manulife Financial Corporation	5%
The Toronto-Dominion Bank	5%
Suncor Energy, Inc.	5%
Canadian Imperial Bank of Commerce	4%
Imperial Oil Ltd.	4%
The Bank of Nova Scotia	4%
Sun Life Financial Inc.	4%
Canadian National Railway Company	3%
Barrick Gold Corp.	3%
Teck Cominco Ltd. Cl B	3%
TELUS Corporation	3%
Rogers Communications Inc., Class B	3%
Canadian Natural Resources Ltd.	3%
Thomson Corporation	3%
General Electric Company	3%
Shaw Communications Inc.	3%
Nokia Corp. ADR	3%
Cameco Corporation	3%
Enbridge Inc.	3%
Kinross Gold Corporation	2%
Goldman Sachs Group, Inc.	2%
Goldcorp Inc.	2%
	92%

**Management Report on Fund Performance**

**Results of Operations**

The net asset value for pricing purposes of the Fund at June 30, 2007 was \$17.26 per unit compared to \$17.87 per unit at December 31, 2006. The Fund's units, listed on the Toronto Stock Exchange as SIX.UN, closed on June 29, 2007 at \$16.48 per unit. Distributions totalling \$1.00 per unit were made to the unitholders during the first six months of the fiscal period.

The S&P/TSX 60 Index total return for the six months ending June 30, 2007 was 8.8 percent. The majority of this return was due to the telecom sector, which posted excellent results largely due to the bid to take BCE Inc. private. Also contributing positively to the index return was the performance of the industrial sector. In terms of foreign markets, the S&P 100 Index fell 3.5 percent in Canadian dollars, while MSCI EAFE Price Index rose 1.2 percent in Canadian dollars. The six-month return for the Fund in Canadian dollars including distributions was 2.2 percent. The reason for the underperformance of the Fund is its above market exposure to gold stocks within the materials sector and the underperformance of the financial services sector.

The U.S. dollar continued to underperform the Canadian dollar, which was lifted by strong commodity prices. The Fund actively hedged its U.S. dollar exposure during The first six months and finished the period with its U.S. exposure partially hedged against fluctuations in the exchange rate for Canadian dollars.

# Mulvihill Premium 60 Plus Fund

## Management Report on Fund Performance

### 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.

The information for the years ended December 31 is derived from the Fund's audited annual financial statements.

Information for the period ended June 30, 2007 is derived from the

	Six months ended June 2007
DATA PER UNIT	
<b>Net Assets, beginning of period<sup>(1)</sup></b>	<b>\$ 17.86<sup>(4)</sup></b>
INCREASE (DECREASE) FROM OPERATIONS	
Total revenue	0.14
Total expenses	(0.18)
Realized gains (losses) for the period	0.92
Unrealized gains (losses) for the period	(0.49)
<b>Total Increase (Decrease) from Operations<sup>(2)</sup></b>	<b>0.39</b>
DISTRIBUTIONS	
From taxable income	(0.13)
From capital gains	(0.67)
Non-taxable distributions	(0.20)
<b>Total Distributions<sup>(3)</sup></b>	<b>(1.00)</b>
<b>Net Assets, end of period<sup>(1)</sup></b>	<b>\$ 17.24</b>

(1) Net Assets is the difference between the aggregate value of the assets of the Fund and the aggregate value of the liabilities on that date and including the valuation of securities at bid prices divided by the number of units then outstanding.

(2) Total increase (decrease) from operations consists of interest and dividend revenue, net of withholding taxes and foreign exchange gains (losses), less expenses and is calculated based on the weighted average number of units outstanding during the period. The schedule

	Six months ended June 2007
RATIOS/SUPPLEMENTAL DATA	
Net Asset Value (\$millions) <sup>(5)</sup>	\$ 35.84
Number of units outstanding	2,075,806
Management expense ratio <sup>(1)</sup>	1.89% <sup>(4)</sup>
Portfolio turnover rate <sup>(2)</sup>	61.05%
Trading expense ratio <sup>(3)</sup>	0.19% <sup>(4)</sup>
Net Asset Value, per unit	\$ 17.26
Closing market price	\$ 16.48

(1) Management expense ratio is the ratio of all fees and expenses, including goods and services taxes, but excluding transaction fees charged to the Fund to the average net asset value.

(2) 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.

## Management Report on Fund Performance

Fund's unaudited semi-annual financial statements.

For June 30, 2007, the Net Assets included in the Data per Unit table is from the Fund's unaudited 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 3 to the Financial Statements).

Years ended December 31				
2006	2005	2004	2003	2002
\$ 18.57	\$ 19.42	\$ 20.24	\$ 19.48	\$ 23.23
0.38	0.32	0.25	0.36	0.40
(0.31)	(0.30)	(0.31)	(0.31)	(0.32)
1.57	0.97	1.86	(0.33)	0.15
(0.36)	0.13	(0.63)	3.04	(2.01)
1.28	1.12	1.17	2.76	(1.78)
(0.24)	(0.23)	—	—	—
(0.93)	(0.51)	(0.70)	—	—
(0.83)	(1.26)	(1.30)	(2.00)	(2.00)
(2.00)	(2.00)	(2.00)	(2.00)	(2.00)
\$ 17.87	\$ 18.57	\$ 19.42	\$ 20.24	\$ 19.48

is not intended to total to the ending net assets as calculations are based on the weighted average number of units outstanding during the period.

(3) Distributions to unitholders are based on the number of units outstanding on the record date for each distribution and were paid in cash.

(4) Net Assets has been adjusted for the Transition Adjustment - New Accounting Standards (see Note 2 to the Financial Statements).

Years ended December 31				
2006	2005	2004	2003	2002
\$ 37.61	\$ 49.84	\$ 74.29	\$ 81.05	\$ 78.30
2,104,266	2,683,415	3,826,181	4,003,663	4,019,778
1.69%	1.57%	1.54%	1.53%	1.53%
197.33%	251.41%	198.36%	136.98%	101.48%
0.27%	0.29%	0.24%	0.31%	0.18%
\$ 17.87	\$ 18.57	\$ 19.42	\$ 20.24	\$ 19.48
\$ 17.39	\$ 18.25	\$ 19.00	\$ 20.35	\$ 19.40

(3) Trading expense ratio represents total commissions expressed as an annualized percentage of the daily average net asset value during the period.

(4) Annualized.

(5) Net Asset Value 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 and including the valuation of securities at closing prices divided by the number of units then outstanding.

## Mulvihill Premium 60 Plus Fund

### Management Report on Fund Performance

#### Management Fees

Mulvihill Capital Management (“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. 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 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. Services received under the Management Agreement include providing or arranging for required administrative services to the Fund.

#### Recent Developments

The Canadian market continued to rise during the first half of the year and the rise was fairly broad based with only the healthcare and utility sectors showing a small negative return. The telecom sector was the best performing sector rising 24.8 percent. Private equity interest in BCE Inc. was responsible for the outperformance of the telecom sector. The industrials, technology and materials sectors also had double-digit returns.

World Gross Domestic Product growth has been above trend, with only the U.S. Economy disappointing, weighed down by weakening net exports and a significant draw down in inventories. The housing sector remained weak but despite this consumer spending grew at a robust pace and business spending was rebounding from lows last year. Canadian Gross Domestic Product rebounded from its lows in the fourth quarter of last year coming in at an impressive 3.7 percent for the first quarter. Commodity prices have been fairly buoyant and oil prices remain at elevated levels due to the continued strength in global demand, and supply concerns coming out of Nigeria. We continue to be bullish longer term.

The Fund continues to be positioned with increased exposure to the energy and materials sectors as we see such companies as EnCana Corporation, Imperial Oil Ltd., Suncor Energy, Inc., and Teck Cominco Ltd. Cl B generating solid growth in earnings and cash flow going forward. Also within the materials sector, we are overweight in gold with exposure to such names as Barrick Gold Corp., Goldcorp Inc., and Kinross Gold Corporation. Other sectors we have exposure to include industrials and financial services with such



## Mulvihill Premium 60 Plus Fund

### Management Report on Fund Performance

names as Canadian National Railway Company, Manulife Financial Corporation, The Toronto-Dominion Bank in Canada, and Goldman Sachs Group, Inc in the U.S.. With regards to the technology sector, we have exposure to the U.S. market, as the fundamentals appear stronger when compared to their Canadian counterparts.

### Past Performance

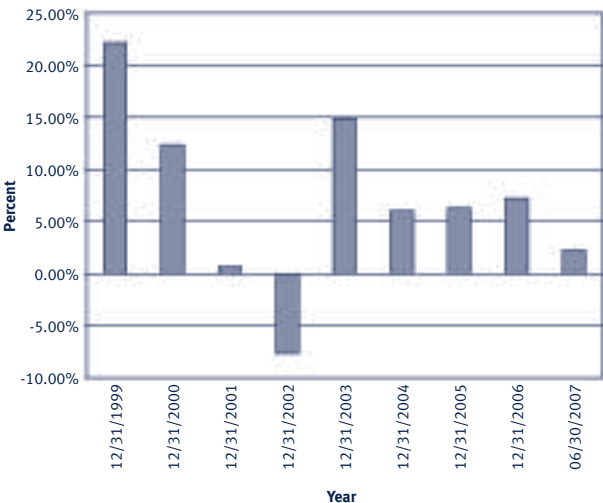
The chart below sets out the Fund's year-by-year past performance. It is important to note that:

- (1) the information shown assumes that all distributions made by the Fund during these periods were reinvested in the Fund,
- (2) the information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns, and
- (3) the past performance of the Fund does not necessarily indicate how it will perform in the future.

### Year-By-Year Returns

The bar chart below illustrates how the Fund's total return for each of the past eight years including the six months period ended June 30, 2007 has varied from period to period. The chart also shows, in percentage terms how much an investment made on January 1 in each year or the date of inception in 1999 would have increased or decreased by the end of that fiscal year, or June 30, 2007 for the six months then ended.

### Annual Total Return



# Mulvihill Premium 60 Plus Fund

## Management Report on Fund Performance

### 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 January 27, 1999.

Mulvihill Fund Services Inc. (“Mulvihill”) is the Manager of the Fund pursuant to a Management Agreement made between the Fund and Mulvihill dated January 27, 1999, 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 60 Plus Income Trust (operating as Mulvihill Premium 60 Plus Fund) (the "Fund") and all the information in this semi-annual report are the responsibility of the management of Mulvihill Fund Services Inc. (the "Manager") and have been approved 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 semi-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 annual financial statements for the year ended December 31, 2006.

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 , the Fund's independent auditors, has full and unrestricted access to the Board.

The Fund's independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Canadian Institute of Chartered Accountants.



John P. Mulvihill  
Director  
Mulvihill Fund Services Inc..



Sheila S. Szela  
Director  
Mulvihill Fund Services Inc.

August 2007

## Mulvihill Premium 60 Plus Fund

### Financial Statements

#### Statements of Net Assets

June 30, 2007 (Unaudited) and December 31, 2006 (Audited)

	2007	2006
<b>ASSETS</b>		
Investments at fair value (cost - \$33,175,381 2006 - \$41,215,808)	\$ 32,796,226	\$ 41,883,589
Short-term investments (cost - \$2,488,596; 2006 - \$3,462,298)	2,479,249	3,462,298
Cash	27,737	36,985
Interest receivable	7,622	8,495
Dividends receivable	71,603	93,099
Due from brokers - investments	645,900	—
Due from brokers - derivatives	—	22
<b>TOTAL ASSETS</b>	<b>36,028,337</b>	<b>45,484,488</b>
<b>LIABILITIES</b>		
Redemptions payable	175,647	7,814,500
Accrued liabilities	55,822	63,510
<b>TOTAL LIABILITIES</b>	<b>231,469</b>	<b>7,878,010</b>
<b>NET ASSETS, REPRESENTED BY UNITHOLDERS' EQUITY</b>	<b>\$ 35,796,868</b>	<b>\$ 37,606,478</b>
<b>Number of Units Outstanding</b>	<b>2,075,806</b>	<b>2,104,266</b>
<b>Net Assets per Unit</b>	<b>\$ 17.2448</b>	<b>\$ 17.8715</b>

Financial Statements

Statements of Financial Operations

For the six months ended June 30 (Unaudited)

	2007	2006
<b>REVENUE</b>		
Dividends	\$ 354,412	\$ 371,751
Interest, net of foreign exchange	(46,814)	39,961
Withholding taxes	(14,347)	(9,227)
<b>TOTAL REVENUE</b>	<b>293,251</b>	<b>402,485</b>
<b>EXPENSES</b>		
Management fees	230,135	310,924
Administrative and other expenses	37,251	39,278
Transaction fees (Note 2)	34,511	—
Custodian fees	17,657	24,633
Audit fees	20,850	16,486
Advisory board fees	10,363	10,363
Legal fees	4,700	912
Unitholder reporting costs	13,629	13,858
Goods and services tax	18,244	27,998
<b>TOTAL EXPENSES</b>	<b>387,340</b>	<b>444,452</b>
<b>Net Investment Loss</b>	<b>(94,089)</b>	<b>(41,967)</b>
Net gain on sale of investments	1,886,479	2,276,891
Net gain on sale of derivatives	40,884	2,238,206
Net change in unrealized appreciation/ depreciation of investments	(1,033,331)	(2,833,460)
<b>Net Gain on Investments</b>	<b>894,032</b>	<b>1,681,637</b>
<b>TOTAL RESULTS OF FINANCIAL OPERATIONS</b>	<b>\$ 799,943</b>	<b>\$ 1,639,670</b>
<b>TOTAL RESULTS OF FINANCIAL OPERATIONS PER UNIT (based on the weighted average number of units outstanding during the period of 2,102,014; 2006 - 2,650,535)</b>		
	<b>\$ 0.3806</b>	<b>\$ 0.6186</b>

## Mulvihill Premium 60 Plus Fund

### Financial Statements

#### Statements of Changes in Net Assets

For the six months ended June 30 (Unaudited)

	2007	2006
NET ASSETS, BEGINNING OF PERIOD	\$ 37,606,478	\$ 49,836,607
Transition Adjustment -		
New Accounting Standards (Note 2)	(23,019)	—
Total Results of Financial Operations	799,943	1,639,670
Unit Transactions		
Amount paid for units redeemed	(491,478)	(2,399,826)
Distributions to Unitholders		
From taxable income	(278,639)	(347,626)
From net realized gain on sale of investments	(1,396,793)	(2,279,487)
Non-taxable distributions	(419,624)	—
	(2,095,056)	(2,627,113)
Changes in Net Assets during the Period	(1,809,610)	(3,387,269)
NET ASSETS, END OF PERIOD	\$ 35,796,868	\$ 46,449,338
Net Assets per Unit	\$ 17.2448	\$ 18.2010

#### Statements of Net Gain on Sale of Investments

For the six months ended June 30 (Unaudited)

	2007	2006
Proceeds from Sale of Investments	\$ 30,754,028	\$ 59,071,339
Cost of Investments Sold		
Cost of investments, beginning of period	41,215,808	60,182,107
Cost of investments purchased	20,786,238	34,221,390
	62,002,046	94,403,497
Cost of Investments, End of Period	(33,175,381)	(39,847,255)
	28,826,665	54,556,242
NET GAIN ON SALE OF INVESTMENTS	\$ 1,927,363	\$ 4,515,097

# Financial Statements

## Statement of Investments

June 30, 2007 (Unaudited)

	Par Value/ Number of Shares	Average Cost	Fair Value	% of Portfolio
<b>SHORT-TERM INVESTMENTS</b>				
<b>Treasury Bills</b>				
Government of Canada, 4.30% - September 6, 2007	1,265,000	\$ 1,252,737	\$ 1,252,737	50.4%
<b>Discount Commercial Paper</b>				
Export Development Corporation, USD, 5.20% - July 17, 2007	100,000	109,558	105,422	
Export Development Corporation, USD, 5.26% - September 7, 2007	1,065,000	1,126,301	1,121,090	
<b>Total Discount Commercial Paper</b>		1,235,859	1,226,512	49.3%
		2,488,596	2,479,249	99.7%
<b>Accrued Interest</b>			7,622	0.3%
<b>TOTAL SHORT-TERM INVESTMENTS</b>		\$ 2,488,596	\$ 2,486,871	100.0%

## INVESTMENTS

### Canadian Common Shares

#### Consumer Discretionary

Shaw Communications Inc.	22,000	\$ 919,820	\$ 990,440	
Thomson Corporation	23,500	1,150,889	1,022,250	
<b>Total Consumer Discretionary</b>		2,070,709	2,012,690	6.1%

#### Consumer Staples

Shoppers Drug Mart Corporation	15,000	749,772	739,200	2.3%
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#### Energy

Cameco Corporation	17,000	941,824	914,770	
Canadian Natural Resources Ltd.	14,500	985,613	1,023,410	
Enbridge Inc.	25,000	935,946	897,500	
EnCana Corporation	34,000	2,245,700	2,227,680	
Imperial Oil Ltd.	31,000	1,552,170	1,537,290	
Suncor Energy, Inc.	18,000	1,580,926	1,722,060	
<b>Total Energy</b>		8,242,179	8,322,710	25.4%

#### Financials

Canadian Imperial Bank of Commerce	16,500	1,655,351	1,580,040	
Manulife Financial Corporation	46,000	1,766,305	1,829,420	
Royal Bank of Canada	35,000	1,951,455	1,981,700	
Sun Life Financial Inc.	26,000	1,368,120	1,319,760	
The Bank of Nova Scotia	26,000	1,361,555	1,348,880	
The Toronto-Dominion Bank	25,000	1,715,712	1,821,500	
<b>Total Financials</b>		9,818,498	9,881,300	30.1%

#### Industrials

Canadian National Railway Company	22,500	1,262,504	1,219,500	3.7%
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#### Materials

Barrick Gold Corp.	37,000	1,225,525	1,146,260	
Goldcorp Inc.	34,000	1,189,643	856,800	
Kinross Gold Corporation	71,000	1,108,484	879,690	
Teck Cominco Ltd. CI B	24,000	1,080,029	1,080,960	
<b>Total Materials</b>		4,603,681	3,963,710	12.1%

# Mulvihill Premium 60 Plus Fund

## Financial Statements

### Statement of Investments (continued)

June 30, 2007 (Unaudited)

	Number of Shares	Average Cost	Fair Value	% of Portfolio
INVESTMENTS (continued)				
<b>Canadian Common Shares (continued)</b>				
<b>Telecommunication Services</b>				
Rogers Communications Inc., Class B	23,000	840,880	<b>1,039,600</b>	
TELUS Corporation	16,500	953,205	<b>1,052,205</b>	
<b>Total Telecommunication Services</b>		<b>1,794,085</b>	<b>2,091,805</b>	6.4%
<b>Total Canadian Common Shares</b>		<b>\$ 28,541,428</b>	<b>\$ 28,230,915</b>	<b>86.1%</b>
<b>United States Common Shares</b>				
<b>Financials</b>				
Citigroup Inc.	14,000	\$ 899,940	<b>\$ 763,092</b>	
Goldman Sachs Group, Inc.	3,800	949,029	<b>875,956</b>	
<b>Total Financials</b>		<b>1,848,969</b>	<b>1,639,048</b>	5.0%
<b>Industrials</b>				
General Electric Company	24,500	1,006,499	<b>997,649</b>	3.1%
<b>Information Technology</b>				
Microsoft Corp.	24,000	795,873	<b>751,859</b>	2.3%
<b>Total United States Common Shares</b>		<b>\$ 3,651,341</b>	<b>\$ 3,388,556</b>	<b>10.4%</b>
<b>Non-North American Shares</b>				
<b>Information Technology</b>				
Nokia Corp. ADR	32,000	\$ 735,920	<b>\$ 956,184</b>	2.9%
<b>Total Non-North American Shares</b>		<b>\$ 735,920</b>	<b>\$ 956,184</b>	<b>2.9%</b>
<b>Forward Exchange Contracts</b>				
Sold USD \$130,500, Bought CAD \$137,890 @ 0.94641 - July 11, 2007			<b>\$ (891)</b>	
Sold USD \$130,500, Bought CAD \$137,994 @ 0.94569 - July 11, 2007			<b>(787)</b>	
Sold USD \$1,005,000, Bought CAD \$1,122,479 @ 0.89534 - July 18, 2007			<b>53,887</b>	
Sold USD \$695,000, Bought CAD \$764,930 @ 0.90858 - August 1, 2007			<b>26,205</b>	
Sold USD \$1,090,000, Bought CAD \$1,196,277 @ 0.91116 - August 8, 2007			<b>37,898</b>	
Sold USD \$770,000, Bought CAD \$831,983 @ 0.92550 - August 15, 2007			<b>13,817</b>	
Sold USD \$665,000, Bought CAD \$718,865 @ 0.92507 - August 22, 2007			<b>12,380</b>	
Sold USD \$11,500, Bought CAD \$12,286 @ 0.93605 - August 29, 2007			<b>70</b>	
Sold USD \$11,500, Bought CAD \$12,284 @ 0.93621 - September 5, 2007			<b>70</b>	
Sold USD \$375,000, Bought CAD \$397,263 @ 0.94396 - September 19, 2007			<b>(898)</b>	
Sold USD \$375,000, Bought CAD \$397,014 @ 0.94455 - September 26, 2007			<b>(1,092)</b>	
<b>Total Forward Exchange Contracts</b>		<b>\$</b>	<b>140,659</b>	<b>0.4%</b>



Financial Statements

Statement of Investments (continued)

June 30, 2007 (Unaudited)

	Number of Contracts	Average Cost/ Proceeds	Fair Value	% of Portfolio
INVESTMENTS (continued)				
OPTIONS				
<b>Purchased Put Options</b>				
S&P/TSX 60 - July 2007 @ \$714 (100 shares per contract)	42	\$ 45,570	\$ -	
S&P/TSX 60 - August 2007 @ \$738 (100 shares per contract)	60	75,180	7,729	
S&P/TSX 60 - August 2007 @ \$741 (100 shares per contract)	45	61,875	16,711	
S&P/TSX 60 - September 2007 @ \$764 (100 shares per contract)	53	67,310	58,169	
The Standard & Poor's 100 Index - July 2007 @ \$644 (1 share per contract)	1,550	10,496	1,639	
The Standard & Poor's 100 Index - August 2007 @ \$651 (1 share per contract)	1,200	9,725	5,374	
The Standard & Poor's 100 Index - September 2007 @ \$624 (1 share per contract)	1,700	18,862	4,033	
The Standard & Poor's 100 Index - September 2007 @ \$663 (1 share per contract)	900	8,572	9,659	
<b>Total Purchased Put Options</b>		<b>297,590</b>	<b>103,314</b>	<b>0.3%</b>
<b>Written Covered Call Options</b> (100 shares per contract)				
Goldman Sachs Group, Inc. - August 2007 @ \$227	(19)	(13,688)	(6,477)	
Manulife Financial Corporation - July 2007 @ \$40	(230)	(9,315)	(6,087)	
Royal Bank of Canada - July 2007 @ \$58	(175)	(9,013)	(8,515)	
Shoppers Drug Mart Corporation - July 2007 @ \$51	(150)	(5,925)	(1,045)	
The Bank of Nova Scotia - July 2007 @ \$53	(65)	(2,795)	(1,278)	
<b>Total Written Covered Call Options</b>		<b>(40,736)</b>	<b>(23,402)</b>	<b>(0.1) %</b>
<b>TOTAL OPTIONS</b>		<b>\$ 256,854</b>	<b>\$ 79,912</b>	<b>0.2%</b>
Adjustment for transaction fees		(10,162)		
<b>TOTAL INVESTMENTS</b>		<b>\$ 33,175,381</b>	<b>\$ 32,796,226</b>	<b>100.0%</b>

# Mulvihill Premium 60 Plus Fund

## Notes to Financial Statements

June 30, 2007

### 1. Basis of Presentation

The interim financial statements for the Fund have been prepared in accordance with Canadian generally accepted accounting standards ("GAAP"). However, not all disclosures required by GAAP for annual financial statements have been presented and, accordingly, these interim financial statements should be read in conjunction with the most recently prepared annual financial statements for the year ended December 31, 2006.

These interim financial statements follow the same accounting policies and method of application as the most recent financial statements for the year ended December 31, 2006, with the exception of CICA handbook section 3855 which was adopted beginning January 1, 2007, as discussed below in Note 2.

### 2. New Accounting Standards

The Canadian Institute of Chartered Accountants issued new accounting standards relating to Financial Instruments which became effective for the Fund from January 1, 2007. 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. These new standards have been adopted prospectively with no restatement of prior periods' comparative amounts.

As a result of the adoption of these new standards, the Fund recorded a transition adjustment to the opening net assets in the amount of \$23,019 which is reflected in the Statement of Changes in Net Assets. This transition adjustment represents the adjustment to fair value of investments from the closing sale price to the closing bid price as of December 31, 2006.

For financial reporting purposes, the investments have been valued using closing bid prices, and transaction fees have been expensed as incurred and presented as a separate line item in the Statement of Financial Operations for the period ended June 30, 2007. Prior to adoption of CICA handbook section 3855, transaction fees were capitalized and included in the cost of purchases or proceeds from sale of investments. There is no impact on net assets or results of operations as a result of this change in accounting policy for the transaction fees.

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.

### 3. 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 and the net assets reflected in the financial statements is as follows:

	June 30, 2007
Net Asset Value (for pricing purposes)	\$ 17.26
Difference	(0.02)
Net Assets (for financial statement purposes)	\$ 17.24

### Hybrid Income Funds

#### Managed by Mulvihill Structured Products

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#### 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 Canadian Bank Fund*  
Mulvihill *Premium Global Plus 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*

#### Mutual Funds Managed by Mulvihill Capital Management

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

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