



Hybrid Income Funds



Semi-Annual Report 2008

Mulvihill Premium *60 Plus Fund*

60 Plus Income Trust

Mulvihill Premium 60 Plus Fund

Message to Unitholders

We are pleased to present the semi-annual financial results of 60 Plus Income Trust, which operates as Mulvihill Premium 60 Plus 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 1999 with the objectives to:

- (1) Provide unitholders with a stable stream of quarterly distributions; and
- (2) Return at a minimum, the original issue price of the units to unitholders upon termination of the Fund.

To accomplish these objectives the Fund invests its net assets into a diversified portfolio of common shares issued by corporations selected from the S&P/TSX 60 Index. The Fund may also invest up to 20 percent of the cost amount of its assets in i) common shares issued by the top 60 corporations of the S&P 100 Index or ii) ADR'S of the top corporations trading on the NYSE or NASDAQ, selected on the basis of market capitalization. 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 six-month period ended June 30, 2008, the Fund earned a total return of negative 0.27 percent. Distributions amounting to \$1.00 per unit were paid during the six-month period, contributing to the overall decline in the net asset value from \$16.82 per unit as at December 31, 2007 to \$15.76 per unit as at June 30, 2008.

The longer-term financial highlights of the Fund are as follows:

	Years ended December 31					
	June 30, 2008	2007	2006	2005	2004	2003
Total Fund Return	(0.27)%	5.54%	7.23%	6.27%	6.03%	14.88%
Distribution Paid (annual target of \$2.00 per unit)	\$ 1.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00
Ending Net Asset Value per Unit (initial issue price was \$25.00 per unit)	\$ 15.76	\$ 16.82	\$ 17.87	\$ 18.57	\$ 19.42	\$ 20.24

We thank all unitholders for their continued support and encourage unitholders to review the more detailed information contained within the semi-annual report.



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

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, 2008 of 60 Plus Income Trust, which operates as Mulvihill Premium 60 Plus Fund (the “Fund”). The June 30, 2008 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. 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.

Asset Mix

June 30, 2008

	% of Net Asset Value
Cash and Short-Term Investments	24%
Materials	19%
Financials	18%
Energy	15%
Information Technology	8%
Consumer Staples	6%
Health Care	4%
Telecommunication Services	3%
Industrials	3%
	100%

Portfolio Holdings

June 30, 2008

	% of Net Asset Value
Cash and Short-Term Investments	24%
Research In Motion Limited	5%
Suncor Energy, Inc.	5%
Teck Cominco Ltd. Cl B	5%
Kinross Gold Corporation	5%
The Toronto-Dominion Bank	5%
Goldcorp Inc.	5%
Barrick Gold Corp.	4%
Imperial Oil Ltd.	4%
Johnson & Johnson	4%
The Bank of Nova Scotia	4%
Shoppers Drug Mart Corporation	4%
Royal Bank of Canada	4%
Rogers Communications Inc., Class B	4%
EnCana Corporation	3%
SNC-Lavalin Group Inc.	3%
Oracle Corp.	3%
JPMorgan Chase & Co.	3%
Manulife Financial Corporation	2%
Kraft Foods Inc. - Class A	2%
Enbridge Inc.	2%
	100%

Management Report on Fund Performance

Results of Operations

For the six-month period ended June 30, 2008, the net asset value of the Fund for pricing purposes based on closing prices was \$15.76 per unit (see Note 3 to the financial statements) compared to \$16.82 per unit at December 31, 2007. The Fund's units, listed on the Toronto Stock Exchange as SIX.UN, closed on June 30, 2008 at \$15.20 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, 2008 was 8.02 percent. The majority of this return was due to the Materials and Energy sector, on the back of strong commodity prices. In terms of foreign markets, the S&P 100 Index fell 11.86 percent in Canadian dollars, while MSCI EAFE Price Index fell 8.06 percent in Canadian dollars. The six-month return for the Fund in Canadian dollars, including reinvestment of distributions, was negative 0.27 percent.

The U.S. dollar has been range bound compared to the Canadian dollar. 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.

For more detailed information on the investment returns, please see the Annual Total Return bar graph on page 7.

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, 2008 is derived from the

**Six months ended
June 2008**

NET ASSETS PER UNIT

Net Assets, beginning of period (based on bid prices)⁽¹⁾	\$ 16.80
INCREASE (DECREASE) FROM OPERATIONS	
Total revenue	0.24
Total expenses	(0.18)
Realized gains (losses) for the period	(0.20)
Unrealized gains (losses) for the period	0.05
Total Increase (Decrease) from Operations⁽²⁾	(0.09)
DISTRIBUTIONS	
From net investment income	(0.06)
From capital gains	–
Non-taxable distributions	(0.94)
Total Distributions⁽³⁾	(1.00)
Net Assets, end of period (based bid prices)⁽¹⁾	\$ 15.72

(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 on that date and including the valuation of securities at bid prices divided by the number of units then outstanding. For years prior to 2007, 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 annual 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),

**Six months ended
June 2008**

RATIOS/SUPPLEMENTAL DATA

Net Asset Value (\$millions)	\$ 25.73
Number of units outstanding	1,632,587
Management expense ratio ⁽¹⁾	1.93%⁽⁴⁾
Portfolio turnover rate ⁽²⁾	104.40%
Trading expense ratio ⁽³⁾	0.30%⁽⁴⁾
Net Asset Value per unit ⁽⁵⁾	\$ 15.76
Closing market price	\$ 15.20

(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, 2008 and December 31, 2007, the Net Assets included in the Net Assets 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. All other calculations for the purposes of this MRFP are made using Net Asset Value.

Years ended December 31				
2007	2006	2005	2004	2003
\$ 17.86 ⁽⁴⁾	\$ 18.57	\$ 19.42	\$ 20.24	\$ 19.48
0.29	0.38	0.32	0.25	0.36
(0.34)	(0.31)	(0.30)	(0.31)	(0.31)
1.10	1.57	0.97	1.86	(0.33)
(0.11)	(0.36)	0.13	(0.63)	3.04
0.94	1.28	1.12	1.17	2.76
(0.26)	(0.24)	(0.23)	—	—
(0.52)	(0.93)	(0.51)	(0.70)	—
(1.22)	(0.83)	(1.26)	(1.30)	(2.00)
(2.00)	(2.00)	(2.00)	(2.00)	(2.00)
\$ 16.80	\$ 17.87	\$ 18.57	\$ 19.42	\$ 20.24

less expenses and is calculated based on the weighted average number of units outstanding during the period. 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 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 per unit has been adjusted for the Transition Adjustment - New Accounting Standards (see Note 4 to the annual financial statements).

Years ended December 31				
2007	2006	2005	2004	2003
\$ 27.83	\$ 37.61	\$ 49.84	\$ 74.29	\$ 81.05
1,654,821	2,104,266	2,683,415	3,826,181	4,003,663
1.80%	1.69%	1.57%	1.54%	1.53%
99.67%	197.33%	251.41%	198.36%	136.98%
0.15%	0.27%	0.29%	0.24%	0.31%
\$ 16.82	\$ 17.87	\$ 18.57	\$ 19.42	\$ 20.24
\$ 15.98	\$ 17.39	\$ 18.25	\$ 19.00	\$ 20.35

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

Recent Developments

The Canadian market rose during the first half of the year and the rise was restricted to the Materials and Energy sector. The Materials sector had the best performance rising 25.61 percent while the Energy sector was close behind with a return of 22.45 percent.

Canadian Gross Domestic Product came in at slightly negative, negative 0.3 percent for the first quarter. Commodity prices have been fairly buoyant and oil prices at these elevated levels will slow global growth and is an overall negative for the Canadian economy with its high export weighting. Canada’s energy producing regions will get a direct windfall from higher profits but the blow to Canada’s energy using sectors will outweigh the benefits. The automotive, airline and tourism industry could be particularly hard hit.

Growth in the U.S. economy has clearly slowed as indicated by Gross Domestic Product growth which came in at 1 percent for the first quarter. A higher cost of capital, credit tightness and soaring energy and food prices could further aggravate this trend. The U.S. housing sector remains weak given the large excess supply of homes for sale and this development could place strains on broader U.S. economic activity and household borrowing and spending slows.

Going forward, the Bank of Canada and the Federal Reserve may stay vigilant with core inflation somewhat inflated at the same time being cognizant of the problems in the credit markets and a slowing economy. Market risks include the possibility of a recession, higher headline inflation, geopolitical uncertainty, and high oil prices. The U.S. elections in November could also pose some unknown policy risks on a go forward basis.

Management Report on Fund Performance

Past Performance

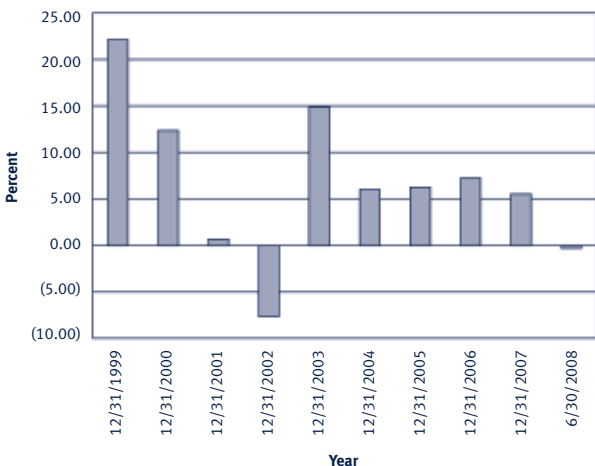
The chart below sets out the Fund's year-by-year past performance. It is important to note that:

- (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 nine years including the six months period ended June 30, 2008 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, 2008 for the six months then ended.

Annual Total Return



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 Premium 60 Plus Fund

Management Report on Fund Performance

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.

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.

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, 2007.

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 2008

Mulvihill Premium 60 Plus Fund

Financial Statements

Statements of Net Assets

June 30, 2008 (Unaudited) and December 31, 2007 (Audited)

	2008	2007
ASSETS		
Investments at fair value (cost - \$19,133,596 2007 - \$27,534,012)	\$ 19,618,525	\$ 27,917,607
Short-term investments at fair value (cost - \$6,140,462; 2007 - \$6,804,744)	6,144,624	6,827,344
Cash	12,012	4,331
Interest receivable	9,645	25,636
Dividends receivable	49,853	62,652
Due from brokers - investments	323,532	—
TOTAL ASSETS	26,158,191	34,837,570
LIABILITIES		
Due to brokers - investments	424,275	—
Due to brokers - derivatives	38,406	—
Accrued liabilities	33,948	59,631
Redemptions payable	—	6,982,296
TOTAL LIABILITIES	496,629	7,041,927
NET ASSETS, REPRESENTED BY UNITHOLDERS' EQUITY	\$ 25,661,562	\$ 27,795,643
Number of Units Outstanding	1,632,587	1,654,821
Net Assets per Unit	\$ 15.7183	\$ 16.7968

Financial Statements

Statements of Financial Operations

For the six months ended June 30 (Unaudited)

	2008	2007
REVENUE		
Dividends	\$ 222,946	\$ 354,412
Interest, net of foreign exchange	173,754	(46,814)
Withholding taxes	(2,663)	(14,347)
TOTAL REVENUE	394,037	293,251
EXPENSES		
Management fees	165,269	230,135
Administrative and other expenses	34,270	37,251
Transaction fees	39,898	34,511
Custodian fees	18,549	17,657
Audit fees	—	20,850
Advisory board fees	9,734	10,363
Independent review committee fees	2,002	—
Legal fees	2,005	4,700
Unitholder reporting costs	13,321	13,629
Goods and services tax	12,271	18,244
TOTAL EXPENSES	297,319	387,340
Net Investment Income (Loss)	96,718	(94,089)
Net gain (loss) on sale of investments	(607,555)	1,886,479
Net gain on sale of derivatives	281,684	40,884
Net change in unrealized appreciation/ depreciation of investments	82,888	(1,033,331)
Net Gain (Loss) on Investments	(242,983)	894,032
NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	\$ (146,265)	\$ 799,943
NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT (based on the weighted average number of units outstanding during the period of 1,646,588; 2007 - 2,102,014)		
	\$ (0.0888)	\$ 0.3806

Mulvihill Premium 60 Plus Fund

Financial Statements

Statements of Changes in Net Assets

For the six months ended June 30 (Unaudited)

	2008	2007
NET ASSETS, BEGINNING OF PERIOD	\$ 27,795,643	\$ 37,606,478
Transition Adjustment -		
New Accounting Standards	–	(23,019)
Net Increase (Decrease) in		
Net Assets from Operations	(146,265)	799,943
Unit Transactions		
Amount paid for units redeemed	(348,229)	(491,478)
Distributions to Unitholders		
From net investment income	(94,830)	(278,639)
From net gain on sale		
of investments	–	(1,396,793)
Non-taxable distributions	(1,544,757)	(419,624)
	(1,639,587)	(2,095,056)
Changes in Net Assets during the Period	(2,134,081)	(1,809,610)
NET ASSETS, END OF PERIOD	\$ 25,661,562	\$ 35,796,868
Net Assets per Unit	\$ 15.7183	\$ 17.2448

Statements of Net Gain (Loss) on Sale of Investments

For the six months ended June 30 (Unaudited)

	2008	2007
Proceeds from Sale of Investments	\$ 30,900,015	\$ 30,754,028
Cost of Investments Sold		
Cost of investments,		
beginning of period	27,534,012	41,215,808
Cost of investments purchased	22,825,470	20,786,238
	50,359,482	62,002,046
Cost of Investments, End of Period	(19,133,596)	(33,175,381)
	31,225,886	28,826,665
NET GAIN (LOSS) ON		
SALE OF INVESTMENTS	\$ (325,871)	\$ 1,927,363

Financial Statements

Statement of Investments

June 30, 2008 (Unaudited)

	Par Value/ Number of Shares	Average Cost	Fair Value	% of Portfolio
SHORT-TERM INVESTMENTS				
Treasury Bills				
Government of Canada, 2.62% - August 7, 2008	1,015,000	\$ 1,009,216	\$ 1,009,216	
Government of Canada, 2.62% - September 18, 2008	2,160,000	2,144,152	2,144,152	
Government of Canada, 2.53% - October 16, 2008	1,510,000	1,498,628	1,498,628	
Total Treasury Bills		4,651,996	4,651,996	75.6%
Discount Commercial Paper				
Canadian Wheat Board, USD, 1.99% - July 18, 2008	785,000	800,075	794,780	
Export Development Corporation, USD, 1.91% - July 14, 2008	690,000	688,391	697,848	
Total Discount Commercial Paper		1,488,466	1,492,628	24.2%
		\$ 6,140,462	\$ 6,144,624	99.8%
Accrued Interest			9,645	0.2%
TOTAL SHORT-TERM INVESTMENTS		\$ 6,140,462	\$ 6,154,269	100.0%
INVESTMENTS				
Canadian Common Shares				
Consumer Staples				
Shoppers Drug Mart Corporation	17,000	\$ 932,404	\$ 949,960	4.8%
Energy				
Enbridge Inc.	12,500	467,973	550,375	
EnCana Corporation	9,500	750,989	881,125	
Imperial Oil Ltd.	18,500	949,574	1,032,485	
Suncor Energy, Inc.	22,000	1,051,050	1,299,980	
Total Energy		3,219,586	3,763,965	19.2%
Financials				
Manulife Financial Corporation	17,625	693,522	624,101	
Royal Bank of Canada	20,000	1,072,868	909,600	
The Bank of Nova Scotia	21,500	1,067,199	1,003,405	
The Toronto-Dominion Bank	19,500	1,340,035	1,249,365	
Total Financials		4,173,624	3,786,471	19.3%
Industrials				
SNC-Lavalin Group Inc.	15,000	829,370	837,000	4.3%
Information Technology				
Research In Motion Limited	11,000	1,363,873	1,311,200	6.7%
Materials				
Barrick Gold Corp.	25,000	1,023,434	1,161,500	
Goldcorp Inc.	26,000	1,125,394	1,222,000	
Kinross Gold Corporation	52,000	926,851	1,252,160	
Teck Cominco Ltd. Cl B	26,000	1,187,064	1,272,440	
Total Materials		4,262,743	4,908,100	25.0%

Mulvihill Premium 60 Plus Fund

Financial Statements

Statement of Investments (continued)

June 30, 2008 (Unaudited)

	Number of Shares	Average Cost	Fair Value	% of Portfolio
INVESTMENTS (continued)				
Canadian Common Shares (continued)				
Telecommunication Services				
Rogers Communications Inc., Class B	23,000	840,880	907,350	4.6%
Total Canadian Common Shares		\$ 15,622,480	\$ 16,464,046	83.9%
United States Common Shares				
Consumer Staples				
Kraft Foods Inc. - Class A	21,000	\$ 658,349	\$ 606,142	3.1%
Financials				
JPMorgan Chase & Co.	22,000	1,064,408	765,802	3.9%
Health Care				
Johnson & Johnson	15,500	1,041,895	1,010,835	5.2%
Information Technology				
Oracle Corp.	36,000	792,289	766,999	3.9%
Total United States Common Shares		\$ 3,556,941	\$ 3,149,778	16.1%
Forward Exchange Contracts				
Sold USD \$940,000, Bought CAD \$958,421 @ 0.98078 - July 9, 2008			\$ 4,619	
Bought USD \$800,000, Sold CAD \$818,080 @ 0.97790 - July 9, 2008			(6,334)	
Sold USD \$1,095,000, Bought CAD \$1,109,040 @ 0.98734 - July 23, 2008			(2,262)	
Sold USD \$540,000, Bought CAD \$541,946 @ 0.99641 - August 6, 2008			(6,205)	
Sold USD \$80,000, Bought CAD \$79,096 @ 1.01143 - August 20, 2008			(2,127)	
Sold USD \$125,000, Bought CAD \$126,275 @ 0.98990 - September 3, 2008			(657)	
Sold USD \$410,000, Bought CAD \$418,700 @ 0.97922 - September 17, 2008			2,326	
Sold USD \$560,000, Bought CAD \$569,772 @ 0.98285 - October 1, 2008			1,007	
Sold USD \$538,000, Bought CAD \$544,512 @ 0.98804 - October 15, 2008			(1,980)	
Total Forward Exchange Contracts			\$ (11,613)	(0.1)%

Financial Statements

Statement of Investments (continued)

June 30, 2008 (Unaudited)

	Number of Contracts	Proceeds/ Average Cost	Fair Value	% of Portfolio
INVESTMENTS (continued)				
OPTIONS				
Purchased Put Options				
Royal Bank of Canada				
- September 2008 @ \$47 (100 shares per contract)	20	\$ 3,960	\$ 5,326	
S&P/TSX 60				
- September 2008 @ \$832 (10 shares per contract)	100	27,126	14,736	
Standard & Poor's 100 Index				
- September 2008 @ \$570 (100 shares per contract)	6	11,280	-	
The Bank of Nova Scotia				
- September 2008 @ \$49 (100 shares per contract)	22	4,147	7,743	
The Toronto-Dominion Bank				
- September 2008 @ \$65 (100 shares per contract)	20	5,140	6,377	
Total Purchased Put Options		51,653	34,182	0.2%
Written Covered Call Options (100 shares per contract)				
Enbridge Inc.				
- July 2008 @ \$45	(125)	(9,875)	(1,589)	
JPMorgan Chase & Co.				
- July 2008 @ \$40	(110)	(16,364)	(789)	
Kraft Foods Inc. - Class A				
- July 2008 @ \$32	(105)	(6,513)	-	
Manulife Financial Corporation				
- July 2008 @ \$38	(88)	(6,556)	(153)	
Royal Bank of Canada				
- July 2008 @ \$51	(150)	(14,700)	(1,361)	
SNC-Lavalin Group Inc.				
- July 2008 @ \$58	(75)	(11,925)	(12,648)	
The Bank of Nova Scotia				
- July 2008 @ \$49	(68)	(4,386)	(588)	
The Bank of Nova Scotia				
- July 2008 @ \$52	(67)	(5,191)	(218)	
The Toronto-Dominion Bank				
- July 2008 @ \$71	(100)	(13,100)	(522)	
Total Written Covered Call Options		(88,610)	(17,868)	(0.1)%
TOTAL OPTIONS		\$ (36,957)	\$ 16,314	0.1%
Adjustment for transaction fees		\$ (8,868)		
TOTAL INVESTMENTS		\$ 19,133,596	\$ 19,618,525	100.0%

Mulvihill Premium 60 Plus Fund

Notes to Financial Statements

June 30, 2008

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, 2007.

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, 2007, with the exception of Note 2 below.

2. Summary of Significant Accounting Policies

Commencing January 1, 2008, the Fund adopted Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3862 "Financial Instruments - Disclosures" and Section 3863, "Financial Instruments - Presentation". The new standards replace Section 3861 "Financial Instruments - Disclosure and Presentation". The new disclosure standards increase the emphasis on the disclosure on the nature and extent of risks associated with financial instruments and how those risks are managed. The previous requirements related to presentation of financial instruments have been carried forward relatively unchanged. Adoption of the new standards does not impact the net asset value for pricing purposes, nor the calculation of net assets.

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 for pricing purposes and the net assets reflected in the financial statements is as follows:

	2008	2007
Net Asset Value (for pricing purposes)	\$ 15.76	\$ 17.26
Difference	(0.04)	(0.02)
Net Assets (for financial statement purposes)	\$ 15.72	\$ 17.24

4. Financial Instruments and Risk Management

The Fund's financial instruments consist of cash, investments and certain derivative contracts. As a result, the Fund is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include other price risk, liquidity risk,

Notes to Financial Statements

June 30, 2008

interest rate risk, currency risk, short-term investments credit rating and credit risk.

These risks and related risk management practices employed by the Fund are discussed below:

Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or segment. Net Asset Value ("NAV") per Unit varies as the value of the securities in the Portfolio varies. The Fund has no control over the factors that affect the value of the securities in the Portfolio. The Fund's market risk is managed by taking a long-term perspective and utilizing an option writing program.

Approximately 76 percent of the Fund's net assets held at June 30, 2008 were publicly traded securities. If equity prices on the exchange increased or decreased by 10 percent as at June 30, 2008, the net assets of the Fund would have increased or decreased by \$2.0M respectively or 7.6 percent of the net assets, all other factors remaining constant. In practice, actual trading results may differ and the difference could be material.

The Fund may from time to time write covered call options in respect of all or part of the common shares 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. The Fund is subject to the full risk of its investment position in securities that are subject to outstanding call options and those securities underlying put options written by the Fund, should the market price of such securities decline. In addition, the Fund will not participate in any gain on the securities that are subject to outstanding call options above the strike price of such options. The Fund may also purchase put options. The Fund has full downside risk on invested positions which may be partially mitigated by the use of purchased put options. The risk to the Fund with respect to purchased put options is limited to the premiums paid to purchase the put options.

All securities present a risk of loss of capital. The Manager moderates this risk by taking a long-term perspective and utilizing an option writing program. The maximum risk resulting from financial instruments is determined by the market value of financial instruments.

Liquidity Risk

Liquidity risk is the possibility that investments in the Fund cannot be readily converted into cash when required. To manage this risk, the Fund invests the majority of its assets in investments that are traded in an active market and can be easily disposed of. In addition, the Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity.

Mulvihill Premium 60 Plus Fund

Notes to Financial Statements

June 30, 2008

Cash is required to fund redemptions unitholders must surrender units at least 5 business days prior to the last day of the month and receive payment on or before 15 calendar days following the month end valuation date. Therefore the Fund has a maximum of 16 business days to generate sufficient cash to fund redemptions mitigating liquidity issues.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of a financial instrument. The financial instruments which potentially expose the Fund to interest rate risk are the short term fixed income securities. Effective durations, a commonly used measure of interest rate risk, incorporates a security's yield, coupon, final maturity, call features and other embedded options into one number expressed in years that indicates how price-sensitive a security or portfolio of securities is to changes in interest rates. The effective duration of a security or portfolio of securities indicates the approximate percentage change in fair value expected for a one percent change in interest rates. The longer the duration, the more sensitive the security or portfolio is to changes in interest rates. The Fund has minimal sensitivity to change in rates since they are usually held to maturity and short-term in nature.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Portfolio includes securities and options denominated in foreign currencies. The net asset value of the Fund and the value of the dividends and option premiums received by the Fund will be affected by fluctuations in the value of the foreign currencies relative to the Canadian dollar. The Fund uses foreign exchange contracts to actively hedge the majority of its foreign currency exposure.

Approximately 12 percent of the Fund's net assets held at June 30, 2008 were held in securities denominated in U.S. currency. If the Canadian dollar strengthened or weakened by 1 percent in relation to the U.S. currency, the net assets of the Fund would have increased or decreased, by approximately \$0.0M respectively or 0.1 percent of the net assets with all other factors remaining constant.

Short-Term Investments Credit Rating

The following are credit ratings for short-term investments held by the Fund as at June 30, 2008:

Type of Short-Term Investment	Rating	% of Short-Term Investments
Treasury Bills	AAA	75.7%
Discount Commercial Paper	AAA	24.3%
Total		100.0%

Notes to Financial Statements

June 30, 2008

The carrying amount of these investments represents their maximum credit risk exposure, as they will be settled in the short term.

Credit Risk

In purchasing call or put options, the Fund is subject to the credit risk that its counterparty (whether a clearing corporation, in the case of exchange traded instruments, or other third party, in the case of over-the-counter instruments) may be unable to meet its obligations. The Fund manages these risks through the use of various risk limits and trading strategies.

The credit risk is mitigated by dealing with counterparties that have a credit rating that is not below the level of approved credit ratings as set out in National Instrument 81-102.

The following are credit ratings for the counterparties to derivative instruments the Fund deals with during the period, based on Standard & Poor's credit rating as of June 30, 2008:

Dealer	Long-Term Local Currency Rating	Short-Term Local Currency Rating
Canadian Dollar		
Bank of Montreal	A+	A-1
Canadian Imperial Bank of Commerce	A+	A-1
Citigroup Inc.	AA-	A-1+
National Bank of Canada	A	A-1
Royal Bank of Canada	AA-	A-1+
The Toronto-Dominion Bank	AA-	A-1+
U.S. Dollar		
Citigroup Inc.	AA-	A-1+
Lehman Brothers Holdings Inc.	A	A-1
The Toronto-Dominion Bank	AA-	A-1+
UBS AG	AA-	A-1+

5. Future Accounting Policy Changes

At June 30, 2008 the Manager has developed a changeover plan to meet the timetable published by the Canadian Institute of Chartered Accountants ("CICA") for changeover to International Financial Reporting Standards ("IFRS"). The key elements of the plan include disclosures of the qualitative impact in the 2008 annual financial statements, the disclosures of the quantitative impact, if any, in the 2009 financial statements and the preparation of the 2011 financial statements in accordance with IFRS with comparatives. The impact of IFRS on accounting policies and implementation decisions will mainly be in the areas of additional notes disclosures in the financial statements of the Fund.

Mulvihill Premium 60 Plus Fund

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 Canadian Bank Fund*

Mulvihill *Premium Global Plus Fund*

Mulvihill *Premium Split Share 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

Mulvihill *Canadian Money Market Fund*

Mulvihill *Canadian Bond Fund*

Mulvihill *Global Equity Fund*

Mulvihill *Total Return Fund*

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for address changes.*