



Hybrid Income Funds



Semi-Annual Report 2007

Mulvihill Premium *Split Share Fund*

MCM Split Share Corp.

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 July 31, 2007 of MCM Split Share Corp., which operates as Mulvihill Premium Split Share Fund (the “Fund”). The July 31, 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. 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 Split Share Fund

Management Report on Fund Performance

Summary of Investment Portfolio

The composition of the investment 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

July 31, 2007

	% of Net Asset Value*
Financials	31%
Energy	23%
Materials	12%
Cash and Short-Term Investments	9%
Consumer Discretionary	6%
Telecommunication Services	6%
Industrials	6%
Information Technology	4%
Consumer Staples	2%
Other Assets (Liabilities)	1%
	100%

* Net Asset Value excludes the Preferred share liability.

Portfolio Holdings

July 31, 2007

	% of Net Asset Value*
Cash and Short-Term Investments	9%
EnCana Corporation	6%
Royal Bank of Canada	5%
Manulife Financial Corporation	5%
Suncor Energy, Inc.	5%
The Toronto-Dominion Bank	5%
Canadian Imperial Bank of Commerce	4%
Imperial Oil Ltd.	4%
The Bank of Nova Scotia	4%
Sun Life Financial Inc.	4%
Rogers Communications Inc., Class B	3%
Teck Cominco Ltd. Cl B	3%
Shaw Communications Inc.	3%
Barrick Gold Corp.	3%
Canadian Natural Resources Ltd.	3%
Thomson Corporation	3%
General Electric Company	3%
Kinross Gold Corporation	3%
TELUS Corporation	3%
Canadian National Railway Company	3%
Goldcorp Inc.	3%
Oracle Corp.	2%
Shoppers Drug Mart Corporation	2%
Enbridge Inc.	2%
Goldman Sachs Group, Inc.	2%
	92%

* Net Asset Value excludes the Preferred share liability.

Mulvihill Premium Split Share Fund

Management Report on Fund Performance

Results of Operations

For the six months ended July 31, 2007, the net asset value for pricing purposes of the Fund was \$22.03 per unit compared to \$22.81 per unit at January 31, 2007. The Fund's Preferred shares, listed on the Toronto Stock Exchange as MUH.PR.A, closed on July 31, 2007 at \$15.00 per share. The Fund's Class A shares, listed on the Toronto Stock Exchange as MUH.A, closed on July 31, 2007 at \$6.95 per share.

Distributions totalling \$0.43 per share were made to the Preferred shareholders during the first six months of the fiscal period, maintaining at least a 5.5 percent yield based on the initial issue price of the shares. Distributions totalling \$0.60 per share were made to the Class A shareholders.

The U.S. dollar continued to underperform the Canadian dollar, which was lifted by strong commodity prices such as oil, gold, and copper. The Fund hedged actively its U.S. dollar exposure against fluctuations in the exchange rate for Canadian dollars.

The S&P/TSX 60 Index total return for six months ending July 31, 2007 was 8.0 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 7.6 percent in Canadian dollars. Over this six-month period the return for the Fund in Canadian dollars including distributions was flat. 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.

Mulvihill Premium Split Share 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 January 31 is derived from the Fund's audited annual financial statements.

	Six months ended July 2007	
DATA PER UNIT		
Net Assets, beginning of period⁽¹⁾	\$	22.80⁽⁴⁾
INCREASE (DECREASE) FROM OPERATIONS		
Total revenue		0.15
Total expenses		(0.20)
Realized gains (losses) for the period		0.79
Unrealized gains (losses) for the period		(0.49)
Total Increase (Decrease) from Operations⁽²⁾		0.25
DISTRIBUTIONS		
Preferred Shares		
From net investment income		(0.19)
From taxable income		-
From capital gains		(0.24)
Total Preferred Share		(0.43)
Class A Share		
From net investment income		-
From taxable income		-
From capital gains		(0.60)
Total Class A Share		(0.60)
Total Distributions⁽³⁾		(1.03)
Net Assets, end of period	\$	22.02⁽¹⁾

(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 the liability for the Redeemable Preferred shares and unamortized premium on the issue of 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.

(2) Total increase (decrease) from operations consists of interest and dividend revenue, 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

**Six months ended
July 2007**

RATIOS/SUPPLEMENTAL DATA

Net Asset Value, excluding liability for Redeemable Preferred shares and unamortized premium on issue of Preferred shares (\$millions)	\$	96.36
Net Asset Value (\$millions)	\$	30.74
Number of units outstanding		4,374,519
Management expense ratio ⁽¹⁾		1.62%⁽⁴⁾
Portfolio turnover rate ⁽²⁾		51.13%
Trading expense ratio ⁽³⁾		0.11%⁽⁴⁾
Net Asset Value, per Unit ⁽⁵⁾	\$	22.03
Closing market price - Preferred	\$	15.00
Closing market price - Class A	\$	6.95

(1) 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 and unamortized premium on the issue of Preferred shares.

(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.

Mulvihill Premium Split Share Fund

Management Report on Fund Performance

Information for the period ended July 31, 2007 is derived from the Fund's unaudited semi-annual financial statements.

For July 31, 2007, the Net Assets included in the Data 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 3 to the Financial Statements).

		Years ended January 31				
2007	2006	2005	2004	2003		
\$ 24.12	\$ 23.76	\$ 25.47	\$ 23.48	\$ 27.59		
0.52	0.40	0.38	0.46	0.68		
(0.36)	(0.37)	(0.40)	(0.38)	(0.41)		
1.87	1.35	1.44	1.97	(4.42)		
(1.27)	0.97	(1.09)	1.87	2.09		
0.76	2.35	0.33	3.92	(2.06)		
-	-	-	-	-		
(0.29)	(0.29)	(0.71)	(0.83)	(0.41)		
(0.57)	(0.57)	(0.13)	-	(0.44)		
(0.86)	(0.86)	(0.84)	(0.83)	(0.85)		
-	-	-	-	(0.30)		
-	-	(0.83)	(1.20)	-		
(1.20)	(1.20)	(0.37)	-	(0.90)		
(1.20)	(1.20)	(1.20)	(1.20)	(1.20)		
(2.06)	(2.06)	(2.04)	(2.03)	(2.05)		
\$ 22.81	\$ 24.12	\$ 23.76	\$ 25.47	\$ 23.48		

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 shareholders are based on the number of shares 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 January 31				
2007	2006	2005	2004	2003		
\$ 102.32	\$ 109.18	\$ 120.58	\$ 83.80	\$ 77.26		
\$ 35.02	\$ 41.22	\$ 44.37	\$ 34.45	\$ 27.90		
4,484,619	4,527,116	5,075,565	3,290,565	3,290,565		
1.54%	1.55%	1.62%	1.56%	1.65%		
189.41%	235.18%	197.79%	175.26%	97.00%		
0.23%	0.28%	0.25%	0.39%	0.24%		
\$ 22.81	\$ 24.12	\$ 23.76	\$ 25.47	\$ 23.48		
\$ 15.35	\$ 15.45	\$ 15.87	\$ 15.99	\$ 15.70		
\$ 7.28	\$ 8.06	\$ 9.08	\$ 11.19	\$ 8.50		

(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 Split Share 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, excluding the Redeemable Preferred liability 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 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 Canadian market has performed well during the first half of the year and the rise was fairly broad based with only the health care and financial sectors ending up with negative return. The telecom sector was the best performing sector rising 21.7 percent. Private equity interest in BCE Inc. was responsible for the outperformance of the telecom sector. The technology, industrials 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 with the failure of some sub-prime mortgages leading to tightening spreads in credit markets. Despite this trend, consumer spending grew at a robust pace on the back of strong employment growth and business spending rebounded from lows last year. Canadian Gross Domestic Product also 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.

Mulvihill Premium Split Share Fund

Management Report on Fund Performance

Other sectors we have exposure to include industrials and financial services with such 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

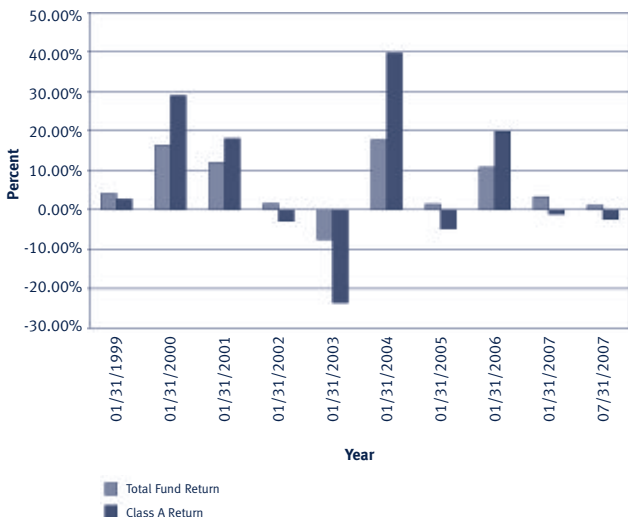
The chart below sets out the Fund's year-by-year past performance. It is important to note that:

- 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 nine years as well as for the six month period ended July 31, 2007 has varied from period to period. The chart also shows, in percentage terms, how much an investment made on February 1 in each year or the date of inception in 1998 would have increased or decreased by the end of that fiscal year, or July 31, 2007 for the six months then ended.

Annual Total Return



Mulvihill Premium Split Share 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 February 12, 1998.

Mulvihill Fund Services Inc. (“Mulvihill”) is the Manager of the Fund pursuant to a Management Agreement made between the Fund and Mulvihill dated February 12, 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 MCM Split Share Corp. (operating as Mulvihill Premium Split Share 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 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 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 2 of the annual financial statements for the year ended January 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 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, the Fund's independent auditors, has full and unrestricted access to the Audit Committee and the Board.

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



John P. Mulvihill
Director
Mulvihill Fund Services Inc.



Sheila S. Szela
Director
Mulvihill Fund Services Inc.

September 2007

Mulvihill Premium Split Share Fund

Financial Statements

Statements of Financial Position

	July 31, 2007 (Unaudited)	January 31, 2007 (Audited)
ASSETS		
Investments at fair value (cost - \$89,869,518; January 31, 2007 - \$85,545,228)	\$ 88,006,703	\$ 85,968,189
Short-term investments at fair value (cost - \$8,593,182; January 31, 2007 - \$13,572,798)	8,597,209	13,555,718
Cash	7,367	6,147
Interest and dividends receivable	88,015	162,764
Due from brokers - derivatives	-	219,694
Due from brokers - investments	-	11,291,766
TOTAL ASSETS	\$ 96,699,294	\$ 111,204,278
LIABILITIES		
Redemptions payable	\$ 274,069	\$ 867,212
Accrued liabilities	119,888	127,914
Due to brokers - derivatives	-	350
Due to brokers - investments	-	7,892,601
	393,957	8,888,077
Redeemable preferred shares	65,617,785	67,269,285
Unamortized premium on issue of preferred shares	12,347	24,693
	66,024,089	76,182,055
EQUITY		
Class A and Class B shares	52,588,977	53,958,649
Deficit	(21,913,772)	(18,936,426)
	30,675,205	35,022,223
TOTAL LIABILITIES AND EQUITY	\$ 96,699,294	\$ 111,204,278
Number of Units Outstanding	4,374,519	4,484,619
Net Assets per Unit		
Class A share	\$ 7.0151	\$ 7.8149
Preferred share	15.0000	15.0000
	\$ 22.0151	\$ 22.8149

Mulvihill Premium Split Share Fund

Financial Statements

Statements of Operations and Deficit

For the six months ended July 31 (Unaudited)

	2007	2006
REVENUE		
Dividends, net of foreign exchange	\$ 864,352	\$ 797,969
Interest, net of foreign exchange	(187,159)	251,874
Withholding taxes	(24,644)	(18,749)
	652,549	1,031,094
Net realized gains on investments	3,452,039	4,818,688
Net realized gains on derivatives	95,969	4,371,941
Net realized losses on short-term investments	(13,143)	(5,758)
Total Net Realized Gains	3,534,865	9,184,871
TOTAL REVENUE	4,187,414	10,215,965
EXPENSES		
Management fees	622,300	669,129
Administrative and other expenses	70,443	55,711
Transaction fees (Note 2)	55,681	-
Custodian fees	16,616	23,923
Audit fees	30,811	16,804
Director fees	10,363	10,363
Legal fees	6,123	6,172
Shareholder reporting costs	19,895	21,673
Capital tax	-	9,188
Goods and services tax	43,992	53,262
TOTAL EXPENSES	876,224	866,225
Net Realized Income before Distributions	3,311,190	9,349,740
Preferred share distributions	(1,901,368)	(1,946,166)
Net Realized Income	1,409,822	7,403,574
Net change in unrealized appreciation/depreciation of investments	(2,200,278)	(8,744,856)
Net change in unrealized appreciation/depreciation of short-term investments	1,915	(1,457)
Total Net Change in Unrealized Appreciation/Depreciation	(2,198,363)	(8,746,313)
Amortization of Premium on Issue of Preferred Shares	12,346	12,346
NET LOSS	\$ (776,195)	\$ (1,330,393)
NET LOSS PER CLASS A SHARE (based on the weighted average number of Class A shares outstanding during the period of 4,459,029; 2006 - 4,526,320)		
	\$ (0.1741)	\$ (0.2939)
DEFICIT		
Balance, beginning of period	\$ (18,936,426)	\$ (13,263,625)
Transition Adjustment - New Accounting Standards (Note 2)	(85,775)	-
Net allocations on retractions	546,145	3,858
Net loss	(776,195)	(1,330,393)
Distributions on Class A shares	(2,661,521)	(2,715,670)
BALANCE, END OF PERIOD	\$ (21,913,772)	\$ (17,305,830)

Mulvihill Premium Split Share Fund

Financial Statements

Statements of Changes in Net Assets

For the six months ended July 31 (Unaudited)

	2007	2006
NET ASSETS, CLASS A AND CLASS B SHARES, BEGINNING OF PERIOD	\$ 35,022,223	\$ 41,223,697
Transition Adjustment - New Accounting Standards (Note 2)	(85,775)	-
Net Realized Income before Distributions	3,311,190	9,349,740
Class A Share Capital Transactions Amount paid for units redeemed	(823,527)	(8,582)
Amortization of Premium on Issue of Preferred Shares	12,346	12,346
Distributions		
Preferred shares		
From net investment income	(830,915)	(703,088)
From net realized gain on investments	(1,070,453)	(1,243,078)
Class A shares		
From net realized gain on investments	(2,661,521)	(2,715,670)
	(4,562,889)	(4,661,836)
Change in Unrealized Appreciation/ Depreciation of Investments	(2,198,363)	(8,746,313)
Changes in Net Assets during the Period	(4,347,018)	(4,054,645)
NET ASSETS, END OF PERIOD	\$ 30,675,205	\$ 37,169,052

The statement of changes in net assets excludes cash flows pertaining to redemptions of Preferred shares. During the period, amounts paid for the redemption of 110,100 (2006 - 1,000) Preferred shares totaled \$1,651,500 (2006 - \$15,000).

Statements of Changes in Investments

For the six months ended July 31 (Unaudited)

	2007	2006
INVESTMENTS AT FAIR VALUE, BEGINNING OF PERIOD	\$ 85,968,189	\$ 100,205,384
Unrealized appreciation of investments, beginning of period	(422,961)	(6,159,818)
Investments at Cost, Beginning of Period	85,545,228	94,045,566
Cost of Investments Purchased during the Period	50,166,574	64,509,079
Cost of Investments Sold during the Period		
Proceeds from sales	49,390,292	88,130,972
Net realized gains on sales	3,548,008	9,190,629
	45,842,284	78,940,343
Investments at Cost, End of Period	89,869,518	79,614,302
Unrealized Depreciation of Investments, End of Period	(1,862,815)	(2,585,038)
INVESTMENTS AT FAIR VALUE, END OF PERIOD	\$ 88,006,703	\$ 77,029,264

Mulvihill Premium Split Share Fund

Financial Statements

Statement of Investments

July 31, 2007 (Unaudited)

	Par Value/ Number of Shares	Average Cost	Fair Value	% of Portfolio
SHORT-TERM INVESTMENTS				
Treasury Bills				
Government of Canada, 4.30% - September 6, 2007	1,460,000	\$ 1,446,737	\$ 1,453,649	
Government of Canada, 4.43% - October 4, 2007	2,140,000	2,117,230	2,122,987	
Government of Canada, 4.55% - November 1, 2007	70,000	69,163	69,198	
Total Treasury Bills		3,633,130	3,645,834	42.4%
Discount Commercial Paper				
Export Development Corporation, USD, 5.26%- September 7, 2007	20,000	21,151	21,242	
Export Development Corporation, USD, 5.23%- October 12, 2007	100,000	103,010	105,687	
Total Discount Commercial Paper		124,161	126,929	1.5%
Canadian Bonds				
Canada Mortgage & Housing Corp., 5.30%- December 3, 2007	4,815,000	4,835,891	4,824,446	56.1%
TOTAL SHORT-TERM INVESTMENTS		\$ 8,593,182	\$ 8,597,209	100.0%
INVESTMENTS				
Canadian Common Shares				
Consumer Discretionary				
Shaw Communications Inc.	120,000	\$ 2,508,600	\$ 3,030,000	
Thomson Corporation	66,000	3,232,284	2,920,500	
Total Consumer Discretionary		5,740,884	5,950,500	6.7%
Consumer Staples				
Shoppers Drug Mart Corporation	41,000	2,049,377	2,142,660	2.4%
Energy				
Cameco Corporation	47,000	2,603,866	2,035,100	
Canadian Natural Resources Ltd.	40,000	2,718,932	2,926,800	
Enbridge Inc.	56,000	2,097,086	2,107,280	
EnCana Corporation	91,000	6,010,550	5,942,300	
Imperial Oil Ltd.	83,000	4,155,810	4,126,760	
Suncor Energy, Inc.	50,000	4,388,605	4,819,500	
Total Energy		21,974,849	21,957,740	25.0%
Financials				
Canadian Imperial Bank of Commerce	45,000	4,509,335	4,157,100	
Manulife Financial Corporation	127,000	4,876,400	4,940,300	
Royal Bank of Canada	96,000	5,353,200	5,192,640	
Sun Life Financial Inc.	70,000	3,683,400	3,527,300	
The Bank of Nova Scotia	74,000	3,875,195	3,659,300	
The Toronto-Dominion Bank	70,000	4,803,629	4,776,800	
Total Financials		27,101,159	26,253,440	29.8%

Mulvihill Premium Split Share Fund

Financial Statements

Statement of Investments (continued)

July 31, 2007 (Unaudited)

	Number of Shares	Average Cost	Fair Value	% of Portfolio
INVESTMENTS (continued)				
Canadian Common Shares (continued)				
Industrials				
Canadian National Railway Company	47,000	2,637,516	2,609,440	3.0%
Materials				
Barrick Gold Corp.	85,000	2,889,243	2,975,000	
Goldcorp Inc.	95,000	3,324,002	2,572,600	
Kinross Gold Corporation	200,000	3,118,233	2,758,000	
Tech Cominco Ltd. Cl B	66,000	2,970,079	3,121,800	
Total Materials		12,301,557	11,427,400	13.0%
Telecommunication Services				
Rogers Communications Inc., Class B	65,000	2,376,400	3,134,300	
TELUS Corporation	45,000	2,599,650	2,674,350	
Total Telecommunication Services		4,976,050	5,808,650	6.6%
Total Canadian Common Shares		\$ 76,781,392	\$ 76,149,830	86.5%
United States Common Shares				
Financials				
Citigroup Inc.	38,000	2,442,694	1,886,306	
Goldman Sachs Group, Inc.	10,400	2,597,342	2,087,662	
Total Financials		5,040,036	3,973,968	4.5%
Industrials				
General Electric Company	68,000	2,793,550	2,811,340	3.2%
Information Technology				
Microsoft Corp.	64,500	2,138,908	1,995,846	
Oracle Corp.	108,000	2,316,115	2,203,705	
Total Information Technology		4,455,023	4,199,551	4.8%
Total United States Common Shares		\$ 12,288,609	\$ 10,984,859	12.5%
Forward Exchange Contracts				
Sold USD \$705,000, Bought CAD \$775,936 @ 0.90858 - August 1, 2007			\$ 23,189	
Sold USD \$2,610,000, Bought CAD \$2,864,480 @ 0.91116 - August 8, 2007			78,252	
Sold USD \$1,830,000, Bought CAD \$1,977,310 @ 0.92550 - August 15, 2007			24,101	
Sold USD \$1,695,000, Bought CAD \$1,832,294 @ 0.92507 - August 22, 2007			23,503	
Sold USD \$785,000, Bought CAD \$831,603 @ 0.94396 - September 19, 2007			(5,677)	
Sold USD \$785,000, Bought CAD \$831,083 @ 0.94455 - September 26, 2007			(6,107)	
Sold USD \$2,950,000, Bought CAD \$3,075,031 @ 0.95934 - October 17, 2007			(70,059)	
Total Forward Exchange Contracts			\$ 67,202	0.1%

Mulvihill Premium Split Share Fund

Financial Statements

Statement of Investments (continued)

July 31, 2007 (Unaudited)

	Number of Contracts	Average Cost/ Proceeds	Fair Value	% of Portfolio
INVESTMENTS (continued)				
OPTIONS				
Purchased Put Options				
Standard & Poor's 100 Index - August 2007 @ \$651 (1 share per contract)	2,800	\$ 22,692	\$ 12,981	
Standard & Poor's 100 Index - September 2007 @ \$624 (1 share per contract)	1,980	21,968	7,404	
Standard & Poor's 100 Index - September 2007 @ \$663 (1 share per contract)	1,800	17,143	29,567	
Standard & Poor's 100 Index - November 2007 @ \$672 (1 share per contract)	2,900	37,275	87,545	
S&P/TSX 60 Index - August 2007 @ \$738 (100 shares per contract)	168	210,504	-	
S&P/TSX 60 Index - August 2007 @ \$741 (100 shares per contract)	110	151,250	24,694	
S & P/TSX 60 Index - September 2007 @ \$764 (100 shares per contract)	156	198,120	179,465	
S&P/TSX 60 Index - November 2007 @ \$782 (100 shares per contract)	160	230,240	463,214	
Total Purchased Put Options		889,192	804,870	0.9%
Written Covered Call Options (100 shares per contract)				
Goldman Sachs Group Inc. - August 2007 @ \$227	(52)	(37,462)	-	
The Toronto-Dominion Bank - August 2007 @ \$74	(350)	(280,000)	(58)	
Total Written Covered Call Options		(65,462)	(58)	0.0%
TOTAL OPTIONS		\$ 823,730	\$ 804,812	0.9%
Adjustment for transaction fees		(24,213)		
TOTAL INVESTMENTS		\$ 89,869,518	\$ 88,006,703	100.0%

Mulvihill Premium *Split Share Fund*

Notes to Financial Statements

July 31, 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 January 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 January 31, 2007, with the exception of CICA Handbook section 3855 which was adopted beginning February 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 February 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 deficit and net assets in the amount of \$85,775 which is reflected in the Statements of Operations and Deficit and 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 January 31, 2007.

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 Operations and Deficit for the period ended July 31, 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.

Mulvihill Premium Split Share Fund

Notes to Financial Statements

July 31, 2007

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 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)	\$ 22.03
Difference	<u>(0.01)</u>
Net Assets (for financial statement purposes)	<u>\$ 22.02</u>

4. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

Mulvihill Premium Split Share 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 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

Mulvihill Canadian Money Market Fund

Mulvihill Canadian Bond Fund

Mulvihill Global Equity Fund

Premium Global Income 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

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

Mulvihill Premium *Split Share Fund*

Notes

Mulvihill Premium *Split Share Fund*

Notes



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.*