



Mulvihill

## Hybrid Income Funds



Semi-Annual Report 2006

**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, 2006 of 60 Plus Income Trust, which operates as Mulvihill Premium 60 Plus Fund (the “Fund”). The June 30, 2006 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.

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.

## Mulvihill Premium 60 Plus Fund

### Management Report on Fund Performance

#### Summary of Investment Portfolio

The summary of 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](http://www.mulvihill.com).

#### Asset Mix

June 30, 2006

	% of Net Assets
Financials	28%
Cash and Short-Term Investments	24%
Energy	16%
Materials	16%
Information Technology	7%
Consumer Discretionary	6%
Utilities	3%
Industrials	3%
Consumer Staples	3%
Health Care	2%
Options	(1)%
Other Assets (Liabilities)	(7)%
	100%

#### Top 25 Holdings

June 30, 2006

	% of Net Assets
Cash and Short-Term Investments	24%
Suncor Energy, Inc.	6%
Manulife Financial Corporation	5%
The Toronto-Dominion Bank	5%
EnCana Corporation	5%
Royal Bank of Canada	4%
Sun Life Financial Services of Canada Inc.	4%
Imperial Oil Ltd.	4%
Teck Cominco Ltd., Class B	4%
Hewlett-Packard Company	4%
TransCanada Corp.	3%
Texas Instruments Incorporated	3%
Merrill Lynch & Co., Inc.	3%
Cameco Corporation	3%
Canadian National Railway Company	3%
Goldcorp Inc.	3%
Rogers Communications Inc., Class B	3%
PepsiCo Inc.	3%
Glamis Gold Ltd.	3%
Thomson Corporation	2%
Alcan Inc.	2%
Citigroup Inc.	2%
Amgen Inc.	2%
Canadian Imperial Bank of Commerce	2%
Bank of America Corporation	2%
	104%

### Management Report on Fund Performance

#### Results of Operations

The net asset value of the Fund at June 30, 2006 was \$18.20 per unit compared to \$18.57 per unit at December 31, 2005. The Fund's units, listed on the Toronto Stock Exchange as SIX.UN, closed on June 30, 2006 at \$17.20 per share.

Distributions totalling \$1.00 per share were made to the unitholders during the first six months of the fiscal period.

The S&P/TSX 60 Index total return for six months ending June 30, 2006 was 3.9 percent. The majority of this return was due to the materials sector, which posted excellent results due to strong price appreciation in commodities such as copper, zinc, nickel, and gold. Also contributing positively to the index return was the performance of the energy and industrial sectors. In terms of foreign markets, the S&P 100 Index fell 1.7 percent in Canadian dollars, while MSCI EAFE Price Index rose 3.8 percent in Canadian dollars. The six-month return for the Fund in Canadian dollars including distributions was 3.3 percent.

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 actively hedged its U.S. dollar exposure during the first six months and finished the period with its U.S. exposure fully 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

	Six months ended June 2006
DATA PER UNIT	
<b>Net Asset Value, beginning of period<sup>(1)</sup></b>	<b>\$ 18.57</b>
INCREASE (DECREASE) FROM OPERATIONS	
Total revenue	0.15
Total expenses	(0.17)
Realized gains (losses) for the period	1.70
Unrealized gains (losses) for the period	(1.07)
<b>Total Increase (Decrease) from Operations<sup>(2)</sup></b>	<b>0.61</b>
DISTRIBUTIONS	
From investment income	(0.13)
From capital gains	(0.87)
Non-taxable distributions	—
<b>Total Distributions<sup>(3)</sup></b>	<b>(1.00)</b>
<b>Net Asset Value, end of period<sup>(1)</sup></b>	<b>\$ 18.20</b>

(1) Net asset value per unit is the difference between the aggregate value of the assets of the Fund and the aggregate value of the liabilities on that date 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

	Six months ended June 2006
RATIOS/SUPPLEMENTAL DATA	
Net Assets (\$millions)	\$ 46.45
Number of units outstanding	2,552,024
Management expense ratio <sup>(1)</sup>	1.77% <sup>(4)</sup>
Portfolio turnover rate <sup>(2)</sup>	76.27%
Trading expense ratio <sup>(3)</sup>	0.20%
Closing market price	\$ 17.20

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

(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

**Management Report on Fund Performance**

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

Information for the period ended June 30, 2006 is derived from the Fund's unaudited semi-annual financial statements.

Years ended December 31				
2005	2004	2003	2002	2001
\$ 19.42	\$ 20.24	\$ 19.48	\$ 23.23	\$ 25.67
0.32	0.25	0.36	0.40	0.83
(0.30)	(0.31)	(0.31)	(0.32)	(0.36)
0.97	1.86	(0.33)	0.15	1.60
0.13	(0.63)	3.04	(2.01)	(2.00)
1.12	1.17	2.76	(1.78)	0.07
(0.23)	—	—	—	(0.21)
(0.51)	(0.70)	—	—	(1.24)
(1.26)	(1.30)	(2.00)	(2.00)	(1.05)
(2.00)	(2.00)	(2.00)	(2.00)	(2.50)
\$ 18.57	\$ 19.42	\$ 20.24	\$ 19.48	\$ 23.23

based on the weighted average number of units outstanding during the period. The schedule is not intended to total to the ending net asset value 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.

Years ended December 31				
2005	2004	2003	2002	2001
\$ 49.84	\$ 74.29	\$ 81.05	\$ 78.30	\$ \$99.34
2,683,415	3,826,181	4,003,663	4,019,778	4,276,520
1.57%	1.54%	1.53%	1.53%	1.53%
251.41%	198.36%	136.98%	101.48%	58.30%
0.29%	0.24%	0.31%	0.18%	0.18%
\$ 18.25	\$ 19.00	\$ 20.35	\$ 19.40	\$ 26.00

virtue of option exercises, when compared to a conventional equity mutual fund.

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

(4) Annualized.

## 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 assets 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 assets 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 due to the strength in commodity prices. The energy and material sectors were responsible for the majority of year-to-date rise in the S&P/TSX 60 Index. We are currently in a period of global synchronized growth. While both China and India continue to exhibit robust economic growth, we are also seeing strong GDP growth in Canada, U.S., Europe, and Japan. This has resulted in continued strong demand for such commodities as copper, zinc, and nickel. Gold is another commodity whose price moved up due to excellent supply/demand characteristics. Oil prices also remained strong these last six months due to the continued strength in global demand, while natural gas prices have been under pressure this year. 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. 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 Glamis Gold Ltd. and Goldcorp. 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 Merrill Lynch & Co., Inc. in the U.S. With regards to the technology sector, we are overweight within the U.S. market as the fundamentals appear stronger when compared to their Canadian counterparts. The names we have exposure to include Hewlett-Packard Company and Texas Instruments Incorporated.



## Management Report on Fund Performance

### Past Performance

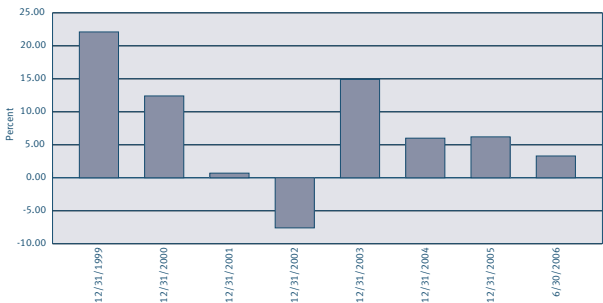
The chart below sets out the Fund's year-by-year past performance. It is important to note that:

- (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 seven years as well as for the six months period ended June 30, 2006 has varied from period to period. The chart also shows, in percentage terms how much an investment made on December 31 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, 2006 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 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.

### Management's Responsibility for Financial Reporting

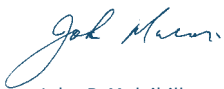
The accompanying financial statements of 60 Plus Income Trust (operating as Mulvihill Premium 60 Plus Fund) (the "Fund") and all the information in this semi-annual report are the responsibility of the management of Mulvihill Fund Services Inc. (the "Manager") and have been approved by the Board of Advisors (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, 2005.

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 2006

# Mulvihill Premium 60 Plus Fund

## Financial Statements

### Interim Statements of Net Assets

June 30, 2006 (Unaudited) and December 31, 2005 (Audited)

	2006	2005
<b>ASSETS</b>		
Investments at market value (cost - \$39,847,255; 2005 - \$60,182,107)	<b>\$ 38,624,724</b>	<b>\$ 61,792,779</b>
Short-term investments (cost - \$11,023,719; 2005 - \$6,011,412)	<b>11,023,585</b>	6,011,473
Interest receivable	<b>34,654</b>	12,885
Dividends receivable	<b>97,562</b>	143,511
Due from brokers - investments	<b>–</b>	1,341,494
Due from brokers - derivatives	<b>29,889</b>	–
<b>TOTAL ASSETS</b>	<b>49,810,414</b>	<b>69,302,142</b>
<b>LIABILITIES</b>		
Bank indebtedness	<b>2,585,969</b>	–
Redemptions payable	<b>679,508</b>	19,360,374
Accrued liabilities	<b>93,707</b>	105,161
Due to brokers - derivatives	<b>1,892</b>	–
<b>TOTAL LIABILITIES</b>	<b>3,361,076</b>	<b>19,465,535</b>
<b>NET ASSETS, REPRESENTED BY UNITHOLDERS' EQUITY</b>	<b>\$ 46,449,338</b>	<b>\$ 49,836,607</b>
<b>Number of Units Outstanding</b>	<b>2,552,024</b>	<b>2,683,415</b>
<b>Net Asset Value per Unit</b>	<b>\$ 18.2010</b>	<b>\$ 18.5721</b>

## Mulvihill Premium 60 Plus Fund

### Financial Statements

#### Interim Statements of Financial Operations

For the six months ended June 30 (Unaudited)

	2006	2005
REVENUE		
Dividends	\$ 371,751	\$ 561,543
Interest, net of foreign exchange	39,961	211,097
Withholding taxes	(9,227)	(18,038)
<b>TOTAL REVENUE</b>	<b>402,485</b>	<b>754,602</b>
EXPENSES		
Management fees	310,924	446,551
Administrative and other expenses	39,278	39,033
Custodian fees	24,633	28,880
Audit fees	16,486	11,000
Advisory board fees	10,363	10,063
Legal fees	912	752
Shareholder reporting costs	13,858	14,303
Goods and services tax	27,998	38,048
<b>TOTAL EXPENSES</b>	<b>444,452</b>	<b>588,630</b>
<b>Net Investment Income (Loss)</b>	<b>(41,967)</b>	<b>165,972</b>
Gain (loss) on sale of investments	2,276,891	(1,417,151)
Gain on sale of derivatives	2,238,206	2,900,339
Change in unrealized appreciation/ depreciation of investments	(2,833,460)	(1,336,958)
<b>Net Gain on Investments</b>	<b>1,681,637</b>	<b>146,230</b>
<b>TOTAL RESULTS OF FINANCIAL OPERATIONS</b>	<b>\$ 1,639,670</b>	<b>\$ 312,202</b>
<b>TOTAL RESULTS OF FINANCIAL OPERATIONS PER UNIT (based on the weighted average number of units outstanding during the period of 2,650,535; 2005 - 3,805,007)</b>	<b>\$ 0.6186</b>	<b>\$ 0.0820</b>

## Mulvihill Premium 60 Plus Fund

### Financial Statements

#### Interim Statements of Changes in Net Assets

For the six months ended June 30 (Unaudited)

	2006	2005
NET ASSETS, BEGINNING OF PERIOD	\$ 49,836,607	\$ 74,290,367
<b>Total Results of Financial Operations</b>	<b>1,639,670</b>	<b>312,202</b>
<b>Unit Transactions</b>		
Amount paid for units redeemed	(2,399,826)	(1,513,333)
<b>Distributions to Unitholders</b>		
From net investment income	(347,626)	(432,314)
From net realized gain on sale of investments	(2,279,487)	(700,910)
Non-taxable distributions	—	(2,651,321)
	(2,627,113)	(3,784,545)
<b>Changes in Net Assets during the Period</b>	<b>(3,387,269)</b>	<b>(4,985,676)</b>
NET ASSETS, END OF PERIOD	\$ 46,449,338	\$ 69,304,691
<b>Net Asset Value per Unit</b>	<b>\$ 18.2010</b>	<b>\$ 18.5163</b>

#### Interim Statements of Gain on Sale of Investments

For the six months ended June 30 (Unaudited)

	2006	2005
<b>Proceeds from Sale of Investments</b>	<b>\$ 59,071,339</b>	<b>\$ 72,415,612</b>
<b>Cost of Investments Sold</b>		
Cost of investments, beginning of period	60,182,107	59,008,484
Cost of investments purchased	34,221,390	64,086,494
	94,403,497	123,094,978
<b>Cost of Investments, End of Period</b>	<b>(39,847,255)</b>	<b>(52,162,554)</b>
	54,556,242	70,932,424
<b>GAIN ON SALE OF INVESTMENTS</b>	<b>\$ 4,515,097</b>	<b>\$ 1,483,188</b>

# Mulvihill Premium 60 Plus Fund

## Financial Statements

### Statement of Investments

June 30, 2006 (Unaudited)

	Par Value/ Number of Shares	Average Cost	Market Value
<b>SHORT-TERM INVESTMENTS</b>			
<b>Treasury Bills</b>			
Canadian Wheat Board, USD			
- July 24, 2006	65,000	\$ 71,818	\$ 71,476
Export Development Corporation, USD			
- August 9, 2006	105,000	115,558	115,900
Government of Canada			
- August 10, 2006	5,675,000	5,624,628	5,624,628
Government of Canada			
- September 7, 2006	3,435,000	3,402,019	3,402,019
Government of Canada			
- October 5, 2006	1,585,000	1,567,137	1,567,137
Province of British Columbia, USD			
- July 10, 2006	220,000	242,559	242,425
<b>Total Treasury Bills</b>		<b>11,023,719</b>	<b>11,023,585</b>
<b>Accrued Interest</b>			<b>34,654</b>
<b>TOTAL SHORT-TERM INVESTMENTS</b>		<b>\$11,023,719</b>	<b>\$ 11,058,239</b>

### INVESTMENTS

#### Canadian Common Shares

##### Consumer Discretionary

Rogers Communications Inc., Class B	31,000	\$ 1,513,265	\$ 1,392,210
Thomson Corporation	26,000	1,131,390	1,118,260
<b>Total Consumer Discretionary</b>		<b>2,644,655</b>	<b>2,510,470</b>

##### Energy

Canadian Natural Resources Ltd.	11,000	599,846	678,920
EnCana Corporation	36,000	2,116,566	2,116,080
Imperial Oil Ltd.	51,000	1,965,536	2,079,780
Suncor Energy, Inc.	30,000	2,258,489	2,710,200
<b>Total Energy</b>		<b>6,940,437</b>	<b>7,584,980</b>

##### Financials

Canadian Imperial Bank of Commerce	12,000	958,596	896,520
Manulife Financial Corporation	70,000	2,513,580	2,475,900
Royal Bank of Canada	46,000	2,177,332	2,084,720
Sun Life Financial Services of Canada Inc.	47,000	2,185,108	2,084,450
The Toronto-Dominion Bank	40,600	2,616,786	2,301,208
<b>Total Financials</b>		<b>10,451,402</b>	<b>9,842,798</b>

##### Industrials

Canadian National Railway Company	29,000	1,574,791	1,414,040
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##### Materials

Alcan Inc.	21,000	1,214,499	1,098,090
Cameco Corporation	32,000	1,487,789	1,423,040
Glamis Gold Ltd.	30,000	1,309,500	1,269,600
Goldcorp Inc.	42,000	1,135,969	1,413,300
Teck Cominco Ltd. Cl B	31,000	2,150,762	2,076,380
<b>Total Materials</b>		<b>7,298,519</b>	<b>7,280,410</b>

# Financial Statements

## Statement of Investments (continued)

June 30, 2006 (Unaudited)

	Number of Shares	Average Cost	Market Value
INVESTMENTS (continued)			
Canadian Common Shares (continued)			
Utilities			
TransCanada Corp.	49,000	1,821,712	1,560,650
<b>Total Canadian Common Shares</b>		<b>\$30,731,516</b>	<b>\$30,193,348</b>
United States Common Shares			
Consumer Staples			
PepsiCo Inc.	20,000	\$ 1,404,467	\$ 1,335,409
Financials			
Bank of America Corporation	14,000	759,836	748,888
Citigroup Inc.	18,500	1,076,499	992,482
Merrill Lynch & Co., Inc.	19,000	1,602,837	1,469,795
<b>Total Financials</b>		<b>3,439,172</b>	<b>3,211,165</b>
Health Care			
Amgen Inc.	13,000	1,266,404	943,049
Information Technology			
Hewlett-Packard Company	53,000	1,785,335	1,867,260
Texas Instruments Incorporated	44,000	1,592,626	1,482,162
<b>Total Information Technology</b>		<b>3,377,961</b>	<b>3,349,422</b>
<b>Total United States Common Shares</b>		<b>\$ 9,488,004</b>	<b>\$ 8,839,045</b>
Forward Exchange Contracts			
Sold USD \$425,000, Bought CAD \$470,039 @ 0.90418 - July 12, 2006		\$	(2,419)
Sold USD \$1,295,000, Bought CAD \$1,422,811 @ 0.91017 - July 26, 2006			(16,158)
Sold USD \$852,000, Bought CAD \$954,879 @ 0.89226 - August 9, 2006			8,569
Sold USD \$853,000 Bought CAD \$956,482 @ 0.89181 - August 9, 2006			9,062
Sold USD \$963,000, Bought CAD \$1,070,904 @ 0.89924 - August 16, 2006			1,534
Sold USD \$962,000 Bought CAD \$1,069,602 @ 0.89940 - August 16, 2006			1,342
Sold USD \$480,000, Bought CAD \$534,765 @ 0.89759 - August 23, 2006			1,858
Sold USD \$480,000, Bought CAD \$535,111 @ 0.89701 - August 23, 2006			2,204
Sold USD \$1,520,000, Bought CAD \$1,678,223 @ 0.90572 - September 6, 2006			(8,604)
Sold USD \$385,000, Bought CAD \$431,460 @ 0.89232 - September 20, 2006			4,389
<b>Total Forward Exchange Contracts</b>		<b>\$</b>	<b>1,777</b>

# Mulvihill Premium 60 Plus Fund

## Financial Statements

### Statement of Investments (continued)

June 30, 2006 (Unaudited)

	Number of Contracts	Average Cost/ Proceeds	Market Value
INVESTMENTS (continued)			
OPTIONS			
<b>Purchased Put Options</b>			
Standard & Poor's 100 Index			
- August 2006 @ \$555			
(1 share per contract)	1,050	\$ 7,276	\$ 4,783
Standard & Poor's 100 Index			
- August 2006 @ \$562			
(1 share per contract)	1,600	8,247	7,258
S&P/TSX 60 Index - July 2006 @ \$649			
(100 shares per contract)	35	25,865	24,315
<b>Total Purchased Put Options</b>		<b>41,388</b>	<b>36,356</b>
<b>Written Covered Call Options</b> (100 shares per contract)			
Amgen Inc. - July 2006 @ \$67	(98)	(11,117)	(9,403)
Bank of America Corporation			
- July 2006 @ \$49	(70)	(4,982)	(5,104)
Cameco Corporation - July 2006 @ \$46	(160)	(32,160)	(7,247)
Canadian National Railway Company			
- July 2006 @ \$48	(145)	(16,747)	(18,769)
Citigroup Inc. - July 2006 @ \$49	(130)	(11,460)	(7,517)
EnCana Corporation - July 2006 @ \$57	(180)	(40,140)	(58,039)
Hewlett-Packard Company			
- July 2006 @ \$33	(265)	(25,279)	(10,457)
Imperial Oil Ltd. - July 2006 @ \$39	(510)	(59,160)	(116,968)
Manulife Financial Corporation			
- July 2006 @ \$37	(524)	(25,152)	(1,275)
Merrill Lynch & Co., Inc.			
- July 2006 @ \$72	(95)	(19,977)	(4,586)
PepsiCo Inc. - July 2006 @ \$61	(200)	(13,790)	(11,725)
Rogers Communication Inc., Class B			
- July 2006 @ \$48	(310)	(26,970)	(695)
Royal Bank of Canada			
- August 2006 @ \$45	(230)	(12,650)	(29,352)
Sun Life Financial Services of			
Canada Inc. - July 2006 @ \$45	(235)	(13,160)	(17,222)
Suncor Energy Inc. - July 2006 @ \$82	(150)	(56,700)	(139,106)
Texas Instruments Incorporated			
- July 2006 @ \$33	(220)	(23,037)	(239)
Thomson Corporation - July 2006 @ \$44	(130)	(7,085)	(3,356)
TransCanada Corp. - July 2006 @ \$33	(245)	(14,087)	(4,742)
<b>Total Written Covered Call Options</b>		<b>(413,653)</b>	<b>(445,802)</b>
<b>TOTAL OPTIONS</b>		<b>\$ (372,265)</b>	<b>\$ (409,446)</b>
<b>TOTAL INVESTMENTS</b>		<b>\$39,847,255</b>	<b>\$38,624,724</b>



## **Notes to Financial Statements**

June 30, 2006

### **1. Basis of Presentation**

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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, 2005.

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, 2005.

### **2. Comparative Figures**

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

## Mulvihill Premium 60 Plus Fund

### 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 *Premium Canadian Fund*

Mulvihill *Premium Oil & Gas 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 *World Financial Split Fund*

Mulvihill *Top 10 Canadian Financial Fund*

Mulvihill *Top 10 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*

Mulvihill *Premium Global Income Fund*

### Head Office

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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](mailto:hybrid@mulvihill.com)

Visit our website at [www.mulvihill.com](http://www.mulvihill.com) for additional information on all Mulvihill Hybrid Income Funds.





**Mulvihill**

**[www.mulvihill.com](http://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](mailto:hybrid@mulvihill.com)

**Mulvihill Capital Management Inc.**

*Please contact your broker directly  
for address changes.*