

Mulvihill Structured Products



Mulvihill

Hybrid Income Funds

Semi-Annual Report 2002



Mulvihill Premium 60 Plus Fund

60 Plus Income Trust

Mulvihill Premium 60 Plus Fund

Notice To Unitholders

Change of Record Date for Regular Distributions

The Fund is hereby providing notice to unitholders that it intends to change the record date for its regular distributions to unitholders. Regular distributions will now be payable to unitholders of record on the fifteenth (15th) day of each month (or on the first business day thereafter if the 15th day is not a business day) and will continue to be paid on or about the last business day of each quarter.

The Fund's Manager, Mulvihill Fund Services Inc., will amend the trust agreement governing the Fund in order to make this change. This amendment will be effective on or about September 13, 2002. As a result the December 31, 2002 distribution, when declared, will be payable to unitholders of record as of December 16, 2002.

Message to Unitholders

As of June 30, 2002, the net asset value of the Fund had declined to \$21.14 per unit from a value of \$23.23 per unit at the end of 2001. Unitholders received regular distributions of \$0.50 per unit in the first two quarters of the year. These distributions, totalling \$1.00 per unit, meet the Fund's target return of 8% per annum, based on the initial unit price of \$25.00.

Difficult overall market conditions have resulted in a decline in the value of the Fund's portfolio. North American equity markets were exceptionally weak throughout the first half, despite a gradual economic recovery in the United States and Canada. The continuing slump in the technology sector and disappointing earnings in other sectors have been among the discouraging factors. Investor confidence has also been severely shaken by major scandals involving accounting irregularities and lax corporate governance. It will take some time and improved earnings to rebuild confidence, even in sectors unaffected by the scandals.

However, some Canadian stocks have performed well, particularly those in the energy sector, as well as companies such as Loblaw Companies Limited, CP Railway Limited and Brascan Corporation. A recovery of the Canadian economy should improve prospects for stocks in the months to come. Market volatility increased sharply towards the end of the second quarter, and this condition is continuing. The fund benefits from higher volatility levels, because this facilitates earning higher amounts of premium income from option writing.

The Fund is presently well diversified and conservatively positioned to participate in unfolding economic recoveries in Canada, the United States and overseas.

We would like to take this opportunity to thank the Fund's unitholders for their continuing support.

August 2002

Mulvihill Premium 60 Plus Fund

Financial Statements

Interim Statements of Net Assets

	June 30, 2002 (Unaudited)	December 31, 2001 (Audited)
Assets		
Investments at market value (average cost - \$69,377,300; 2001 - \$72,002,368)	\$ 59,095,302	\$ 71,971,101
Short-term investments (average cost - \$30,527,276; 2001 - \$28,831,865)	30,432,254	28,843,795
Cash	9,285	67,349
Subscriptions receivable	–	40,331
Dividends receivable	143,819	141,708
Interest receivable	83,107	71,294
Due from broker	804,925	–
	90,568,692	101,135,578
Liabilities		
Accrued liabilities	127,186	137,010
Redemptions payable	174,528	–
Due to broker	–	1,657,476
	301,714	1,794,486
Net Assets, Represented by Unitholders' Equity	\$ 90,266,978	\$ 99,341,092
Number of Units Outstanding	4,269,689	4,276,520
Net Asset Value per Unit	\$ 21.1413	\$ 23.2294

Mulvihill Premium 60 Plus Fund

Financial Statements

Interim Statements of Financial Operations

For the six months ended June 30 (Unaudited)

	2002	2001
Revenue		
Dividends	\$ 596,909	\$ 1,319,925
Interest, net of foreign exchange	279,719	978,679
Withholding tax	(16,599)	(17,296)
	860,029	2,281,308
Expenses		
Management fees	598,339	653,415
Custodian and other fees	81,994	94,836
Goods and services tax	47,623	52,378
	727,956	800,629
Net Investment Income	132,073	1,480,679
Gain on Sale of Investments and Options	5,561,037	8,179,423
Change in Unrealized Depreciation of Investments and Foreign Currency	(10,357,719)	(11,784,648)
Net Loss on Investments	(4,796,682)	(3,605,225)
Total Results of Financial Operations	\$ (4,664,609)	\$ (2,124,546)
Net Investment Income per Unit	\$ 0.0309	\$ 0.3468
Net Loss on Investments per Unit	(1.1218)	(0.8444)
Total Results of Financial Operations per Unit (based on the weighted average number of units outstanding during the period of 4,275,971; 2001 - 4,269,478)	\$ (1.0909)	\$ (0.4976)

Mulvihill Premium 60 Plus Fund

Financial Statements

Interim Statements of Changes in Net Assets

For the six months ended June 30 (Unaudited)

	2002	2001
Net Assets, Beginning of Period	\$ 99,341,092	\$ 109,550,860
Total Results of Financial Operations	(4,664,609)	(2,124,546)
Unit Transactions		
Amount paid for units redeemed	(174,528)	–
Proceeds from reinvestment of distributions	42,428	59,116
	(132,100)	59,116
Distributions to Unitholders		
From net investment income	(494,561)	(1,480,679)
From net realized gain on sale of investments and options	(3,782,844)	(4,923,537)
	(4,277,405)	(6,404,216)
Changes in Net Assets During the Period	(9,074,114)	(8,469,646)
Net Assets, End of Period	\$ 90,266,978	\$ 101,081,214
Net Asset Value per Unit	\$ 21.1413	\$ 23.6687
Distribution per Unit		
From net investment income	\$ 0.1156	\$ 0.3468
From net realized gain on sale of investments and options	0.8844	1.1532
	\$ 1.0000	\$ 1.5000

Mulvihill Premium 60 Plus Fund

Financial Statements

Statement of Investments

June 30, 2002 (Unaudited)

	PAR VALUE/ NO. OF SHARES	AVERAGE COST	MARKET VALUE
Short-term Investments			
Treasury Bills			
Government of Canada			
- August 1, 2002	2,145,000	\$ 2,132,075	\$ 2,132,075
Government of Canada			
- August 29, 2002	2,495,000	2,479,442	2,479,442
Government of Canada			
- September 26, 2002	80,000	79,442	79,442
Government of Canada - July 4, 2002	225,000	223,895	223,895
Government of Canada - July 18, 2002	3,705,000	3,684,590	3,684,590
Government of Canada			
- August 15, 2002	7,365,000	7,317,838	7,317,838
Government of Canada			
- September 12, 2002	5,855,000	5,816,749	5,816,749
Government of the United States, USD			
- July 25, 2002	380,000	595,376	575,401
Total Treasury Bills		22,329,407	22,309,432
Discount Commercial Paper			
Province of British Columbia, USD			
- September 5, 2002	50,000	76,565	75,723
Canadian Wheat Board, USD			
- July 8, 2002	200,000	312,389	303,177
Canadian Wheat Board, USD			
- July 12, 2002	450,000	696,908	683,510
Canadian Wheat Board, USD			
- August 8, 2002	50,000	78,250	75,710
Canada Mortgage & Housing Corp.			
- July 2, 2002	900,000	894,096	894,096
Canadian Wheat Board, USD			
- September 17, 2002	1,050,000	1,587,231	1,590,562
Farm Credit Corp.			
- September 12, 2002	2,700,000	2,681,559	2,681,559
Province of Ontario, USD			
- July 10, 2002	1,200,000	1,870,871	1,818,485
Total Discount Commercial Paper		8,197,869	8,122,822
		30,527,276	30,432,254
Accrued Interest		-	83,107
Total Short-term Investments		\$30,527,276	\$30,515,361

Mulvihill Premium 60 Plus Fund

Financial Statements

Statement of Investments

June 30, 2002 (Unaudited)

	NO. OF SHARES	AVERAGE COST	MARKET VALUE
Investments			
Canadian Common Shares			
Consumer Discretionary			
The Thomson Corporation	42,500	\$ 2,270,600	\$ 2,038,300
Consumer Staples			
Loblaw Companies Limited	45,000	2,440,199	2,812,950
Molson Inc., Class A	54,500	1,650,968	1,795,775
Total Consumer Staples		4,091,167	4,608,725
Energy			
EnCana Corporation	46,000	2,046,186	2,148,200
Imperial Oil Ltd.	29,000	1,106,160	1,371,410
Petro-Canada	55,000	1,432,431	2,351,250
Precision Drilling Corporation	22,500	1,128,955	1,183,725
Suncor Energy Inc.	40,000	999,220	1,064,000
Total Energy		6,712,952	8,118,585
Financials			
Bank of Montreal	72,000	2,617,137	2,566,800
Bank of Nova Scotia	60,000	2,721,290	2,999,400
Brascan Corporation	50,000	1,572,933	1,749,500
Canadian Imperial Bank of Commerce	26,000	1,303,120	1,263,600
Manulife Financial Corporation	45,000	1,889,639	1,964,250
Sun Life Financial Services of Canada Inc.	51,500	1,722,365	1,695,380
The Toronto-Dominion Bank	55,000	2,030,483	1,975,600
Total Financials		13,856,967	14,214,530
Health Care			
Biovail Corporation	17,000	766,037	759,220
Industrials			
Bombardier Inc., Class B	165,000	2,127,619	2,079,000
CAE Inc.	110,000	1,327,225	1,369,500
Canadian National Railway Company	22,000	1,700,499	1,760,880
Canadian Tire Corporation Limited	25,000	638,554	780,250
CP Railway Limited	27,500	829,675	1,034,275
Zarlink Semiconductor Inc.	110,000	2,249,673	804,100
Total Industrials		8,873,245	7,828,005

Mulvihill Premium 60 Plus Fund

Financial Statements

Statement of Investments (continued)

June 30, 2002 (Unaudited)

	NO. OF SHARES	AVERAGE COST	MARKET VALUE
Investments (continued)			
Canadian Common Shares (continued)			
Information Technology			
ATI Technologies Inc.	57,600	1,007,706	605,952
Celestica Inc.	25,000	1,798,377	855,750
Nortel Networks Corporation	220,000	5,073,224	484,000
Total Information Technology		7,879,307	1,945,702
Materials			
Abitibi-Consolidated Inc.	110,000	1,451,393	1,542,200
Alcan Inc.	45,000	2,756,710	2,596,500
Domtar Inc.	120,000	2,169,141	2,130,000
Placer Dome Inc.	85,020	1,319,634	1,445,340
Total Materials		7,696,878	7,714,040
Telecommunication Services			
BCE Inc.	80,000	2,277,343	2,111,200
Utilities			
Enbridge Inc.	45,000	1,950,299	2,122,200
TransAlta Corporation	65,000	1,618,598	1,313,000
Total Utilities		3,568,897	3,435,200
Total Canadian Common Shares		\$57,993,393	\$52,773,507
Non-North American Common Shares			
Consumer Discretionary			
Koninklijke (Royal) Philips Electronics N.V.	25,000	\$ 840,566	\$ 1,049,414
Consumer Staples			
Diageo PLC, ADR	18,000	1,191,094	1,413,971
Information Technology			
Nokia Corp., ADR	36,000	1,098,724	792,809
Telecommunication Services			
Vodafone Group PLC, ADR	43,700	2,411,402	907,218
Total Non-North American Common Shares		\$ 5,541,786	\$ 4,163,412

Mulvihill Premium 60 Plus Fund

Financial Statements

Statement of Investments (continued)

June 30, 2002 (Unaudited)

	NO. OF SHARES	AVERAGE COST	MARKET VALUE
Investments (continued)			
United States Common Shares			
Consumer Discretionary			
The Home Depot Inc.	15,000	\$ 1,177,080	\$ 837,934
Health Care			
Amgen Inc.	12,000	1,129,753	764,338
Industrials			
General Electric Company	11,000	782,609	486,000
Information Technology			
Oracle Corporation	42,000	1,589,635	604,919
Telecommunication Services			
Nextel Communications, Inc., Class A	54,000	2,180,570	263,631
Total United States Common Shares		\$ 6,859,647	\$ 2,956,822

	NUMBER OF CONTRACTS	PROCEEDS	MARKET VALUE
Investments (continued)			
Options			
Written Covered Put Options (100 shares per contract)			
Royal Bank of Canada - July 2002 @ \$53	(300)	\$ (34,800)	\$ (53,346)
The Toronto-Dominion Bank			
- August 2002 @ \$35	(210)	(20,895)	(14,397)
Vodafone Group PLC, ADR - July 2002 @ \$20	(163)	(88,792)	(158,659)
Total Written Covered Put Options		(144,487)	(226,402)

Written Covered Call Options (100 shares per contract)			
Abitibi-Consolidated Inc.- August 2002 @ \$15	(525)	(21,788)	(14,785)
ATI Technologies Inc. - July 2002 @ \$19	(550)	(86,900)	(39)
Bank of Montreal - July 2002 @ \$38	(250)	(30,000)	(1,875)
Bank of Montreal - September 2002 @ \$37	(110)	(11,605)	(6,070)
Bank of Nova Scotia - August 2002 @ \$55	(300)	(34,800)	(6,957)
Biovail Corporation- July 2002 @ \$47	(85)	(25,032)	(9,497)
Bombardier Inc.- July 2002 @ \$13	(550)	(22,000)	(10,745)

Mulvihill Premium 60 Plus Fund

Financial Statements

Statement of Investments (continued)

June 30, 2002 (Unaudited)

	NUMBER OF CONTRACTS	PROCEEDS	MARKET VALUE
Investments (continued)			
Options (continued)			
Written Covered Call Options (100 shares per contract) (continued)			
Brascan Corporation - July 2002 @ \$35	(250)	(40,750)	(10,743)
CAE Inc. - September 2002 @ \$13	(550)	(30,800)	(27,500)
Canadian Imperial Bank of Commerce - August 2002 @ \$52	(130)	(15,210)	(4,571)
Canadian National Railway Company - August 2002 @ \$81	(55)	(11,825)	(11,291)
Canadian National Railway Company - September 2002 @ \$80	(50)	(11,000)	(17,207)
CP Railway Limited - August 2002 @ \$36	(275)	(36,438)	(73,700)
Diageo PLC, ADR- July 2002 @ \$52	(150)	(39,969)	(16,375)
Domtar Inc. - August 2002 @ \$18	(600)	(37,800)	(42,864)
Enbridge Inc. - July 2002 @ \$46	(225)	(21,713)	(49,267)
EnCana Corporation - July 2002 @ \$50	(220)	(42,460)	(3,300)
Imperial Oil Ltd. - August 2002 @ \$45	(245)	(30,135)	(41,054)
Koninklijke (Royal) Philips Electronics N.V. - July 2002 @ \$28	(125)	(19,794)	(29,156)
Loblaw Companies Limited - September 2002 @ \$61	(225)	(38,025)	(66,385)
Manulife Financial Corporaion - September 2002 @ \$45	(225)	(29,925)	(29,925)
Molson Inc. - September 2002 @ \$32	(270)	(31,185)	(32,025)
Nokia Corporation - July 2002 @ \$25	(180)	(43,148)	(1,369)
Petro-Canada - September 2002 @ \$44	(275)	(26,400)	(30,250)
Placer Dome Inc. - August 2002 @ \$20	(210)	(18,795)	(7,723)
Precision Drilling Corporation - July 2002 @ \$57	(110)	(22,440)	(2,292)
Sun Life Financial Services of Canada Inc. - July 2002 @ \$35	(240)	(24,000)	(3,260)
Suncor Energy Inc. - July 2002 @ \$28	(200)	(13,600)	(6,000)
The Thomson Corporation - July 2002 @ \$57	(210)	(39,690)	-
The Toronto-Dominion Bank - July 38 @ \$38	(275)	(15,812)	(15,812)
Total Written Covered Call Options		(873,039)	(572,037)
Total Options		\$ (1,017,526)	\$ (798,439)
Total Investments		\$69,377,300	\$59,095,302

Mulvihill Premium 60 Plus Fund

Notes to the Financial Statements

June 30, 2002 (Unaudited)

1. Basis of Presentation

These interim financial statements should be read in conjunction with the most recently prepared annual financial statements for the year ended December 31, 2001 as not all disclosures required by Canadian generally accepted accounting principles for annual financial statements have been presented.

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, 2001.

Statement of Portfolio Transactions

A copy of the Statement of Portfolio Transactions (unaudited) for Mulvihill Premium 60 Plus Fund for the period ended June 30, 2002 may be obtained without charge by writing to:

Mulvihill Premium 60 Plus Fund
Investor Relations
121 King Street West, Suite 2600
Toronto, Ontario M5H 3T9

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

Other Hybrid Income Funds Managed by Mulvihill Structured Products

Mulvihill Premium Funds

Mulvihill Premium *Canadian Fund*
Mulvihill Premium *U.S. Fund*
Mulvihill Premium *Oil & Gas Fund*
Mulvihill Premium *Global Plus Fund*
Mulvihill Premium *Canadian Bank Fund*
Mulvihill Premium *Global Telecom Fund*
Mulvihill Premium *Split Share Fund*

Mulvihill Summit Fund

Mulvihill Summit *Digital World Fund*

Mulvihill Platinum Funds

Mulvihill Pro-AMS *U.S. Fund*
Mulvihill Pro-AMS *RSP Fund*
Mulvihill Pro-AMS *100 Plus (Cdn \$) Fund*
Mulvihill Pro-AMS *100 Plus (U.S. \$) Fund*
Mulvihill Pro-AMS *RSP Split Share Fund*

Mutual Funds Managed by Mulvihill Capital Management

Mulvihill Canadian *Money Market Fund*
Mulvihill Canadian *Bond Fund*
Mulvihill Canadian *Equity Fund*
Mulvihill Global *Equity Fund*
Mulvihill U.S. *Equity Fund*
Premium Canadian *Income Fund*
Premium Global *Income Fund*

Head Office:

Mulvihill Capital Management Inc.
121 King Street West, Suite 2600
Toronto, Ontario M5H 3T9
fax: 416 681-3901
tel: 416 681-3966 or 1 800 725-7172
email: hybrid@mulvihill.com

Notes



Mulvihill

Mulvihill Structured Products

Investor Relations

121 King Street West, Suite 2600

Toronto, Ontario M5H 3T9

Tel: 416 681-3966

Fax: 416 681-3901

1 800 725-7172

e-mail: hybrid@mulvihill.com

Mulvihill Capital Management Inc.

www.mulvihill.com