



Hybrid Income Funds



Annual Report 2003

Mulvihill Premium *Global Plus Fund*
Global Plus Income Trust





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Message to Unitholders

Equity markets in 2003 made positive returns, strongly outperforming both bonds and cash instruments. The S&P TSX composite index rose 27 percent, with advances in all major industry groups. This reflected the underlying stability of the Canadian economy, which continued to perform well, despite the temporary setbacks of the SARS outbreak, mad cow disease, forest fires in the West and the Ontario power blackout. One other development, however, is having a more lasting effect—the sharp rise in the value of the Canadian dollar. This has hurt the competitiveness of Canadian manufacturers in export markets, and will continue to have a dampening effect on economic growth in 2004.

In the U.S., equity markets rebounded strongly after a sluggish first quarter, buoyed by a surging American economy. The S&P 500 index recorded a 29 percent gain for the year, and the NASDAQ rose by a full 50 percent. The sinking value of the U.S. dollar, however, turned these advances into only 5 percent and 23 percent gains in Canadian currency terms. Low interest rates, tax cuts and depleted inventories have contributed to the resurgence of the American economy, and the weaker dollar is also improving U.S. export prospects for this year. The present federal budget deficit and the chronic and now massive U.S. current account deficit are shifting investor sentiment away from U.S. dollar denominated assets. Commodities priced in depreciating U.S. dollars are thus more affordable, encouraging a rise in global demand.

In both Canada and the U.S., equity investors favoured stocks with depressed prices in sectors poised for renewed growth. This propelled the formerly devastated information technology sector into the forefront of performers, along with the materials and financial sectors. Price volatility was high in the first quarter, but has decreased substantially since then, though it remains sufficient to sustain limited option writing programs.

The outlook at present is for solid economic growth this year, accompanied by low inflation and higher corporate profits. The Canadian economy will benefit from the strong U.S. recovery, though this will be dampened somewhat by the strength of the Canadian dollar. Short-term interest rates are likely to remain low and could even ease from current levels. The U.S. Federal Reserve has probably finished its easing cycle, and will remain on hold for a while, with potential for tightening in the second half of the year.

With valuation levels already quite high, especially in the U.S., equity markets are unlikely to rise as much in 2004 as they did in 2003. Nevertheless, the equity investment environment remains distinctly positive for the year.



John P. Mulvihill
President
Mulvihill Capital Management Inc.

Investment Objectives

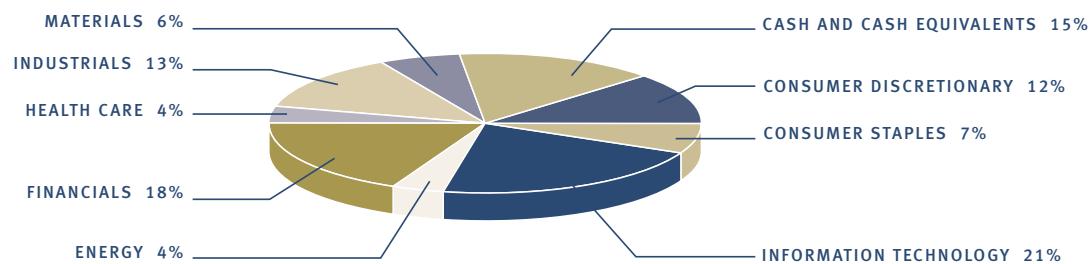
The Fund's investment objectives are to provide unitholders of the Fund with a stable stream of quarterly distributions while returning at a minimum the original issue price of the units to unitholders upon termination of the Fund on December 31, 2009.

Investment Strategy

The Fund achieves its investment objectives by investing its net assets in a diversified portfolio consisting primarily of common shares issued by corporations selected from the Standard and Poor's 100 Index and ADR's of the top 100 corporations trading on the New York Stock Exchange or NASDAQ, selected on the basis of market capitalization. The Fund may also, from time to time, invest up to 25 percent of its net asset value in World Equity Benchmark Shares (WEBS) compiled by Morgan Stanley Capital International Inc. To generate additional returns above the dividend income generated by the portfolio, the Fund may write covered call options in respect of all or part of the securities in the portfolio. From time to time, the Fund may hold a portion of its assets in cash equivalents, which may be utilized to provide cover in respect of the writing of cash covered put positions.

Asset Mix

December 31, 2003



Distribution History

INCEPTION DATE: SEPTEMBER 1999	REGULAR DISTRIBUTION		SPECIAL DISTRIBUTION		TOTAL DISTRIBUTION	
Total for 1999		\$ 0.60		\$ 0.15		\$ 0.75
Total for 2000		2.00		0.75		2.75
Total for 2001		2.00		0.00		2.00
Total for 2002		1.50		0.00		1.50
March 2003		0.25		0.00		0.25
June 2003		0.25		0.00		0.25
September 2003		0.35		0.00		0.35
December 2003		0.35		0.00		0.35
Total for 2003		1.20		0.00		1.20
Total Distributions to Date		\$ 7.30		\$ 0.90		\$ 8.20

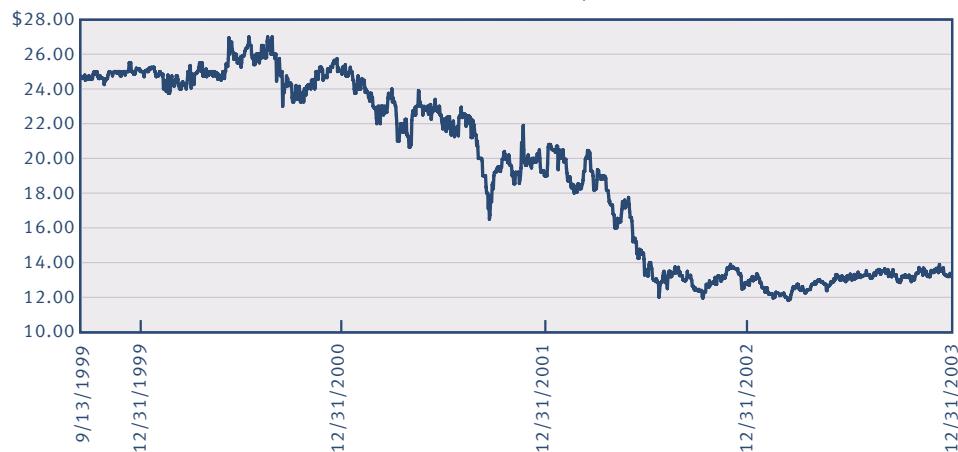
For complete distribution history and income tax information, please see our website www.mulvihill.com.

Top 10 Holdings

- Tyco International Ltd.
- Cisco Systems Inc.
- Citigroup Inc.
- American Express Company
- United Technologies Corporation
- Morgan Stanley
- Microsoft Corporation
- Alcoa Inc.
- Intel Corporation
- General Electric Company

Trading History

September 13, 1999 to December 31, 2003

**Commentary**

As of December 31, 2003, the net assets of the Fund were \$46.6 million, or \$13.96 per unit, up from a net asset value of \$13.71 per unit, at the end of 2002. Listed on the Toronto Stock Exchange as GIP.UN, the Fund's units closed on December 31 trading at \$13.25.

Unitholders received distributions per unit of \$0.25 in the first and second quarters, and \$0.35 in the third and fourth, for an annual total of \$1.20 per unit. Distributions have been reduced below the target level in order to maintain net asset value, and preserve the Fund's ability to meet its long-term objectives.

Global equity markets in 2003 showed strength in some sectors, including technology, materials, discretionary products, industrials and financials. Underperforming sectors included consumer staples, health care and telecommunications. The Fund's portfolio is diversified across a wide range of these sectors in the United States and various European countries, with no investments in Japan or in emerging markets. The outlook is now positive for continuing economic recovery in the U.S., where most of the Fund's investments are concentrated.

The rise of the Canadian dollar, versus the U.S. dollar, had a negative impact on returns. The Fund has been hedging some of its foreign currency exposure to reduce the impact of exchange rate changes.

Financial statements and a summary of the Fund's investments are included in this annual report. We would like to take this opportunity to thank each of the Fund's unitholders for their continuing support.

Mulvihill Premium Global Plus Fund [GIP.UN]

Management's Responsibility for Financial Reporting

This report has been prepared in accordance with the Accounting Standards Board guidelines.

The accompanying financial statements of Global Plus Income Trust (operating as Mulvihill Premium Global Plus Fund) (the "Fund") and all the information in this annual report are the responsibility of the management of Mulvihill Fund Services Inc., (the "Manager"), and have been reviewed 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 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 financial statements. The financial statements have been audited by Deloitte & Touche LLP on behalf of the unitholders.

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 has full and unrestricted access to the Board.



John P. Mulvihill
Director
Mulvihill Fund Services Inc.



David N. Middleton
Director
Mulvihill Fund Services Inc.

February 20, 2004

To the Unitholders of Mulvihill Premium Global Plus Fund

We have audited the accompanying statement of investments of Global Plus Income Trust (operating as Mulvihill Premium Global Plus Fund) (the "Fund") as at December 31, 2003, the statements of net assets as at December 31, 2003 and 2002, and the statements of financial operations, of changes in net assets and of loss on sale of investments and options for the years then ended, and the statements of financial highlights for each of the years or periods (since inception) in the five-year period ended December 31, 2003. These financial statements are the responsibility of the Fund's Manager. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Manager, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund and its investments as at the dates indicated above, and the results of its operations, the changes in its net assets, the loss on sale of investments and options and the financial highlights for the periods indicated above, in accordance with Canadian generally accepted accounting principles.



Deloitte & Touche LLP

Chartered Accountants
Toronto, Ontario
February 20, 2004

Statements of Net Assets

December 31, 2003 and 2002

	2003	2002
ASSETS		
Investments at market value (average cost - \$48,332,766; 2002 - \$65,109,114)	\$ 45,603,081	\$ 51,940,342
Short-term investments (average cost - \$7,849,865; 2002 - \$12,030,834)	7,772,062	12,032,429
Cash	42,900	45,494
Interest receivable	11,365	54,058
Dividends receivable	36,036	63,291
Due from brokers	15,527	20,972
TOTAL ASSETS	53,480,971	64,156,586
LIABILITIES		
Redemptions payable	6,831,896	5,586,078
Accrued liabilities	76,285	94,375
Due to brokers	19,045	-
TOTAL LIABILITIES	6,927,226	5,680,453
NET ASSETS, REPRESENTED BY UNITHOLDERS' EQUITY	\$ 46,553,745	\$ 58,476,133
Number of Units Outstanding (Note 5)	3,335,464	4,264,711
Net Asset Value per Unit	\$ 13.9572	\$ 13.7116

On Behalf of the Manager,
Mulvihill Fund Services Inc.



John P. Mulvihill, Director



David N. Middleton, Director

Statements of Financial Operations

Years ended December 31, 2003 and 2002

	2003	2002
REVENUE		
Dividends	\$ 675,896	\$ 1,040,904
Interest, net of foreign exchange	(434,167)	367,075
Withholding taxes	(93,473)	(130,409)
TOTAL REVENUE	148,256	1,277,570
 EXPENSES (Note 6)		
Management fees	675,398	922,793
Custodian and other expenses	151,517	155,851
Goods and services tax	56,878	74,703
TOTAL EXPENSES	883,793	1,153,347
Net Investment Income (Loss)	(735,537)	124,223
Loss on sale of investments and options	(4,327,265)	(13,611,012)
Change in unrealized depreciation of investments, options and foreign currency	10,358,042	(2,559,425)
Net Gain (Loss) on Investments	6,030,777	(16,170,437)
 TOTAL RESULTS OF FINANCIAL OPERATIONS	\$ 5,295,240	\$ (16,046,214)

Statements of Changes in Net Assets

Years ended December 31, 2003 and 2002

	2003	2002
NET ASSETS, BEGINNING OF YEAR	\$ 58,476,133	\$ 89,662,252
Total Results of Financial Operations	5,295,240	(16,046,214)
Unit Transactions		
Proceeds from reinvestment of distributions	-	38,092
Amount paid for units redeemed	(12,541,801)	(7,981,360)
	(12,541,801)	(7,943,268)
Distributions to Unitholders (Note 7)		
Non-taxable distribution	(4,675,827)	(7,196,637)
Changes in Net Assets during the Year	(11,922,388)	(31,186,119)
NET ASSETS, END OF YEAR	\$ 46,553,745	\$ 58,476,133

Statements of Loss on Sale of Investments and Options

Years ended December 31, 2003 and 2002

	2003	2002
Proceeds from Sale of Investments	\$ 50,274,056	\$ 57,401,920
Cost of Investments Sold		
Cost of investments, beginning of year	65,109,114	77,592,572
Cost of investments purchased	37,824,973	58,529,474
	102,934,087	136,122,046
Cost of Investments, End of Year	(48,332,766)	(65,109,114)
	54,601,321	71,012,932
LOSS ON SALE OF INVESTMENTS AND OPTIONS	\$ (4,327,265)	\$ (13,611,012)

Statement of Investments

December 31, 2003

	% of Portfolio	Par Value/ Number of Shares	Average Cost	Market Value
SHORT-TERM INVESTMENTS				
Treasury Bills				
Government of Canada - February 26, 2004		215,000	\$ 213,421	\$ 213,421
Government of Canada - March 25, 2004		1,305,000	1,295,078	1,295,078
Government of Canada - April 8, 2004		1,155,000	1,145,559	1,145,559
Government of Canada - May 6, 2004		285,000	282,464	282,464
Total Treasury Bills	37.7%		2,936,522	2,936,522
Discount Commercial Paper				
Canadian Wheat Board, USD - January 21, 2004		1,875,000	2,447,999	2,417,656
Canadian Wheat Board, USD - February 23, 2004		800,000	1,052,500	1,031,242
Export Development Corporation, USD - January 15, 2004		175,000	228,953	225,914
Province of Ontario, USD - January 14, 2004		900,000	1,183,891	1,160,728
Total Discount Commercial Paper	62.1%		4,913,343	4,835,540
Accrued interest	99.8%		7,849,865	7,772,062
	0.2%			11,365
TOTAL SHORT-TERM INVESTMENTS	100.0%		\$ 7,849,865	\$ 7,783,427
INVESTMENTS				
Non-North American Common Shares				
Consumer Discretionary				
Koninklijke (Royal) Philips Electronics N.V. ADR		40,000	\$ 1,804,184	\$ 1,503,670
The News Corporation Limited ADR		25,000	1,333,817	1,166,262
Total Consumer Discretionary	5.9%		3,138,001	2,669,932
Consumer Staples				
Diageo PLC ADR	2.2%	15,000	1,242,554	1,024,630
Information Technology				
Alcatel SA ADR		70,000	1,229,686	1,162,385
Nokia Corp. ADR		50,000	1,786,450	1,098,418
SAP AG ADR		20,000	1,038,025	1,074,124
Total Information Technology	7.3%		4,054,161	3,334,927
Total Non-North American Common Shares	15.4%		\$ 8,434,716	\$ 7,029,489

Statement of Investments

December 31, 2003

	% of Portfolio	Number of Shares	Average Cost	Market Value
INVESTMENTS (continued)				
United States Common Shares				
Consumer Discretionary				
Clear Channel Communications, Inc.		20,000	\$ 1,014,292	\$ 1,210,328
Viacom Inc., Class B		25,000	1,323,322	1,433,759
Wal-Mart Stores, Inc.		15,000	1,166,716	1,028,313
Total Consumer Discretionary	8.1%		3,504,330	3,672,400
Consumer Staples				
Colgate-Palmolive Company		23,000	1,721,767	1,487,581
PepsiCo Inc.		20,000	1,267,721	1,204,900
Total Consumer Staples	5.9%		2,989,488	2,692,481
Energy				
Baker Hughes Incorporated		25,000	1,384,052	1,038,974
Exxon Mobil Corporation		25,000	1,709,458	1,324,563
Total Energy	5.2%		3,093,510	2,363,537
Financials				
American Express Company		30,000	1,825,722	1,869,766
American International Group Inc.		15,000	1,336,895	1,284,762
Citigroup Inc.		30,000	1,856,579	1,881,784
J.P. Morgan Chase and Co.		30,000	1,460,595	1,423,938
Merrill Lynch & Co.		20,000	1,466,045	1,515,817
Morgan Stanley		24,000	1,625,917	1,794,790
Total Financials	21.4%		9,571,753	9,770,857
Health Care				
Amgen Inc.		15,000	1,412,191	1,197,922
Pfizer Inc.		25,000	1,336,758	1,141,386
Total Health Care	5.1%		2,748,949	2,339,308
Industrials				
Burlington Northern Santa Fe Corp.		30,000	1,264,673	1,254,135
General Electric Company		40,000	1,714,034	1,601,365
Tyco International Ltd.		60,000	2,213,075	2,054,688
United Technologies Corporation		15,000	1,653,275	1,837,008
Total Industrials	14.8%		6,845,057	6,747,196
Information Technology				
Cisco Systems Inc.		60,000	1,870,851	1,883,335
EMC Corporation		70,000	1,304,412	1,168,717
Intel Corporation		40,000	1,621,675	1,664,427
Microsoft Corporation		50,000	1,939,159	1,779,438
Oracle Corporation		80,000	1,384,099	1,364,623
Total Information Technology	17.2%		8,120,196	7,860,540

Statement of Investments

December 31, 2003

	% of Portfolio	Number of Shares	Average Cost	Market Value
INVESTMENTS (continued)				
United States Common Shares (continued)				
Materials				
Alcoa Inc.	35,000	1,992,201	\$ 1,718,702	
The Dow Chemical Company	25,000	1,267,786	1,342,978	
Total Materials	6.7%	3,259,987	\$ 3,061,680	
Total United States Common Shares	84.4%		\$ 40,133,270	\$ 38,507,999
Forward Exchange Contracts				
Sold USD \$3,500,000, Bought CAD \$4,802,547 @ 0.72878 - January 12, 2004			\$ 277,133	
Sold USD \$4,196,000, Bought CAD \$5,505,550 @ 0.76214 - January 27, 2004			76,435	
Bought USD \$3,871,000, Sold CAD \$5,095,097 @ 0.75975 - January 27, 2004			(86,493)	
Sold USD \$3,854,000, Bought CAD \$5,075,928 @ 0.75927 - February 11, 2004			86,156	
Sold USD \$3,023,000, Bought CAD \$3,944,158 @ 0.76645 - February 25, 2004			28,051	
Sold USD \$2,140,000, Bought CAD \$2,869,325 @ 0.74582 - March 10, 2004			95,436	
Total Forward Exchange Contracts	1.0%			\$ 476,718
	% of Portfolio	Number of Contracts	Proceeds	Market Value
OPTIONS				
Written Cash Covered Put Options (100 shares per contract)				
HCA Inc. - January 2004 @ \$40	200	\$ (23,462)	\$ (198)	
The Home Depot, Inc. - January 2004 @ \$35	200	(17,573)	(14,371)	
U.S. Bancorp - January 2004 @ \$29	350	(17,442)	(6,330)	
Total Written Cash Covered Put Options	0.0%		(58,477)	(20,899)

Statement of Investments

December 31, 2003

	% of Portfolio	Number of Contracts	Proceeds	Market Value
INVESTMENTS (continued)				
OPTIONS (continued)				
Written Covered Call Options (100 shares per contract)				
Alcoa Inc. - January 2004 @ \$35	150	(18,085)	\$ (57,904)	(57,904)
American International Group Inc. - January 2004 @ \$60	75	(9,989)	\$ (63,077)	(63,077)
Amgen Inc. - January 2004 @ \$60	108	(21,544)	\$ (29,805)	(29,805)
Baker Hughes Incorporated - January 2004 @ \$33	150	(12,172)	\$ (10,660)	(10,660)
Clear Channel Communications, Inc. - January 2004 @ \$45	100	(12,563)	\$ (21,538)	(21,538)
Colgate-Palmolive Company - January 2004 @ \$54	172	(13,481)	\$ (317)	(317)
Diageo PLC ADR - January 2004 @ \$52	150	(12,284)	\$ (20,593)	(20,593)
Exxon Mobil Corporation - January 2004 @ \$38	250	(11,062)	\$ (99,026)	(99,026)
Koninklijke (Royal) Philips Electronics N.V. ADR - January 2004 @ \$29	240	(24,076)	\$ (25,109)	(25,109)
Pfizer Inc. - January 2004 @ \$35	200	(10,859)	\$ (17,213)	(17,213)
The Dow Chemical Company - January 2004 @ \$42	185	(15,527)	\$ (18,339)	(18,339)
The News Corporation Limited ADR - January 2004 @ \$35	200	(15,101)	\$ (26,645)	(26,645)
Total Written Covered Call Options	(0.8)%		\$ (176,743)	\$ (390,226)
TOTAL OPTIONS	(0.8)%		\$ (235,220)	\$ (411,125)
TOTAL INVESTMENTS	100.0%		\$ 48,332,766	\$ 45,603,081

Statements of Financial Highlights

Years ended December 31

	2003	2002	2001	2000	1999 *
DATA PER UNIT					
Net Asset Value, Beginning of Year	\$ 13.71	\$ 18.50	\$ 21.71	\$ 24.98	\$ 23.75 **
INCOME (LOSS) FROM INVESTMENT OPERATIONS					
Net investment income (loss)	(0.19)	(0.01)	0.60	0.49	0.09
Net gain (loss) on sale of investments and options	1.64	(3.28)	(1.81)	(1.01)	1.89
Total from Investment Operations	1.45	(3.29)	(1.21)	(0.52)	1.98
DISTRIBUTIONS TO UNITHOLDERS					
From net investment income	–	–	(0.28)	(0.22)	–
From net realized gain on sale of investments and options	–	–	–	(2.45)	(0.71)
Non-taxable distribution (Note 7)	(1.20)	(1.50)	(1.72)	(0.08)	(0.04)
Total distributions	(1.20)	(1.50)	(2.00)	(2.75)	(0.75)
Net Asset Value, End of Year	\$ 13.96	\$ 13.71	\$ 18.50	\$ 21.71	\$ 24.98
RATIOS/SUPPLEMENTAL DATA					
Total net assets, end of year (\$millions)	\$ 46.55	\$ 58.48	\$ 89.66	\$ 105.12	\$ 120.89
Average net assets (\$millions)	\$ 54.79	\$ 73.82	\$ 94.33	\$ 116.89	\$ 116.44
Management expense ratio	1.61%	1.56%	1.54%	1.57%	1.51% ***
Portfolio turnover rate	86.7%	107.5%	46.5%	44.3%	28.5%
Annual rate of return	10.6%	(17.8)%	(5.6)%	(2.1)%	N/A

* For the period from inception on September 13, 1999 to December 31, 1999.

** Net of agent fees.

***Annualized

1. Establishment of the Fund

Global Plus Income Trust (the "Fund") is an investment trust established under the laws of the Province of Ontario on August 30, 1999. The Fund began operations on September 13, 1999 and will terminate on December 31, 2009 and its assets will be distributed to unitholders unless unitholders determine to continue the Fund by a majority vote at a meeting called for such purpose.

The manager of the Fund is Mulvihill Fund Services Inc. (the "Manager") and the Fund's investment manager is Mulvihill Capital Management Inc. (the "Investment Manager"). The Royal Trust Company (the "Trustee") is the trustee and acts as custodian of the assets of the Fund.

The Fund operates under the registered name Mulvihill Premium Global Plus Fund.

2. Investment Objectives of the Fund

The Fund achieves its investment objectives by investing in a diversified portfolio consisting principally of common shares issued by corporations selected from the Standard & Poor's 100 Index and American Depository Receipts ("ADRs") of the top 100 corporations selected on the basis of market capitalization whose ADRs are trading on the New York Stock Exchange or NASDAQ. ADRs are issued by a depository as evidence of a beneficial interest in foreign securities of an issuer that are held on deposit by the depository. In addition, in order to provide further global investment opportunities, the Fund may, from time to time, invest up to a maximum of 25 percent of its net asset value in World Equity Benchmark Shares ("WEBS") that seek to provide investment results that track the performance of a specific country index compiled by Morgan Stanley Capital International Inc.

To generate additional returns above the dividend income earned on the portfolio, the Fund may, from time to time, write covered call options in respect of all or part of the securities 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. Additionally, the Fund may purchase call options with the effect of closing out existing call options written by the Fund and may also purchase put options to preserve the value of the portfolio where appropriate. The Fund may enter into trades to close out positions in such permitted derivatives.

From time to time the Fund may hold a portion of its assets in cash equivalents.

3. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with accounting principles generally accepted in Canada. The following is a summary of significant accounting policies.

Valuation of investments

Securities are valued at market value, which is determined by the closing sale price on the recognized stock exchange on which the securities are listed or principally traded. If no sale has taken place on that day, valuation will be at the last published sale price if this is between the last recorded bid price (the price someone is willing to pay) and the last recorded asked price (the price at which someone is willing to sell). If the last published sale price is not between the bid and the asked price, the bid or the asked price is used, whichever is nearer the last published sale price.

Short-term investments are valued at cost plus accrued interest, which approximates market value.

Listed options are valued at market values as reported on recognized exchanges. Over the counter options are valued using an appropriate valuation model.

The value of a forward contract shall be the gain or loss with respect thereto that would be realized if, on the Valuation Date, the position in the forward contract, as the case may be, were to be closed out.

Investment transactions and income

Investment transactions are accounted for on a trade date basis. Realized gains and losses on the sale of investments and change in unrealized appreciation (depreciation) of investments, options and foreign currency are determined on an average cost basis. Realized gains and losses relating to written options may arise from:

- (i) Expiration of written options whereby realized gains are equivalent to the premium received;
- (ii) Exercise of written covered call options whereby realized gains or losses are equivalent to the premium received in addition to the realized gain or loss from disposition of the related investments at the exercise price of the option; and
- (iii) Closing of written options whereby realized gains or losses are equivalent to the cost of purchasing options to close the positions, net of any premium received.

Realized gains and losses related to options are included in gain (loss) on sale of investments and options.

Option premiums received are reflected as deferred credits in investments so long as the options are outstanding. Any difference resulting from revaluation is included in change in unrealized appreciation (depreciation) of investments, options and foreign currency. Premiums received on written put options that are exercised are included on the cost of the security purchased.

Dividend income is recorded on the ex-dividend date. Interest income is recorded daily as it is earned.

Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the prevailing rate of exchange on each valuation date. Purchases and sales of investments, and income derived from investments, are translated at the rate of exchange prevailing on the respective dates of such transactions.

4. Statements of Financial Highlights

The following explanatory notes pertain to the Statements of Financial Highlights:

- (a) Net investment income (loss) per unit is calculated based on the weighted average number of units outstanding during the year.
- (b) Net gain (loss) on investments and options per unit includes the impact of timing of unitholder transactions.
- (c) Distributions to unitholders are based on the number of units outstanding on the record date for each distribution.
- (d) Management expense ratio is the ratio of all fees and expenses charged to the Fund to average net assets.
- (e) Portfolio turnover rate is calculated based on the lesser of purchases or sales of investments, excluding short-term investments, divided by the average portfolio value of securities, excluding short-term investments.
- (f) Annual rate of return represents the historical annual total rate of return of an investment in a unit for the year, assuming reinvestment of current year distributions.

5. Unitholders' Equity

The Fund is authorized to issue an unlimited number of transferable, redeemable trust units of one class, each of which represents an equal, undivided interest in the net assets of the Fund.

All units have equal rights and privileges. Each whole unit is entitled to one vote at all meetings of unitholders and is entitled to participate equally with respect to any and all distributions made by the Fund, including distributions of net income and net realized capital gains, and distributions upon the termination of the Fund. Units are issued only as fully paid and are non-assessable. Fractions of units are proportionately entitled to all of these rights except voting rights.

Units may be surrendered at any time for redemption but will be redeemed only on a monthly valuation date. Unitholders whose units are redeemed on a December valuation date will be entitled to receive a redemption price per unit equal to the net asset value per unit. Unitholders whose units are redeemed on any other valuation date will be entitled to receive a redemption price per unit equal to the net asset value per unit less the lesser of (i) 4 percent of such net asset value per

unit and (ii) \$1.00. Under the terms of a Recirculation Agreement, the Fund may, but is not obligated to, require the Recirculation Agent to use its best efforts to find purchasers for any units tendered for redemption.

Following are the unit transactions for the year:

	2003	2002
Units outstanding, beginning of year	4,264,711	4,846,208
Units issued on reinvestment of distributions	-	2,100
Units redeemed	(929,247)	(583,597)
Units outstanding, end of year	3,335,464	4,264,711

Under the terms of the normal course issuer bid, the Fund proposes to purchase, if considered advisable, up to a maximum of 402,385 units, 10% of its public float as determined in accordance with the rules of the Exchange. The normal course issuer bid will remain in effect until the earlier of April 27, 2004 or until the Fund has purchased the maximum number of units permitted under the bid. As at December 31, 2003, no units have been purchased by the Fund.

Unitholders may obtain a copy of the Notice of Intention to make a normal course issuer bid, without charge, by writing to Investors Services at: Mulvihill Premium Global Plus Fund, Investor Relations, 121 King St. W., Suite 2600, Toronto ON M5H 3T9.

6. Management Fees and Expenses

The Fund is responsible for all ongoing trustee, manager, legal, accounting and audit fees as well as all other expenses incurred by the Trustee and manager in the ordinary course of business relating to the Fund's operations. The Fund is also responsible for commissions and other costs of portfolio transactions and any extraordinary expenses of the Fund which may be incurred from time to time.

Fees are payable to the Manager under the terms of the trustee agreement and to the Investment Manager under the terms of an investment management agreement. The fees are payable at annual rates of 0.10 percent and 1.15 percent, respectively, of the Fund's net asset value calculated and payable monthly, plus applicable taxes.

7. Distributions

The Fund endeavours to make quarterly distributions to unitholders of net income and net realized capital gains and option premiums on the last day of March, June, September and December in each year. Unitholders may elect to reinvest distributions received from the Fund in additional units.

The non-taxable distributions received by the unitholders reduce the adjusted cost base of the unit for tax purposes.

8. Income Taxes

The Fund is a "mutual fund trust" as defined in the Income Tax Act (Canada) (the "Act"). The Fund is subject to tax in each taxation year under Part I of the Act on the amount of its income for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of the amount paid or payable to unitholders in the year. Income tax paid by the Fund on any net realized capital gains not paid or payable is recoverable by the Fund to the extent and in the circumstances provided in the Act.

Given the investment and distribution policies of the Fund and taking into account expenses, the Fund does not expect to bear any appreciable non-refundable income tax.

No amount is payable on account of income taxes in 2003 and 2002.

Accumulated non-capital losses of approximately \$3.1 million (2002 - \$1 million) and capital losses of approximately \$26.5 million (2002 - \$21.3 million) are available for utilization against net investment income and realized gains on sale of investments in future years. The non-capital losses have expiration dates extending to 2010 and capital losses can be carried forward indefinitely.

Issue costs of approximately \$0.9 million (2002 - \$2.2 million) remain undeducted for tax purposes at year end.

9. Commission Charges

Total commissions paid in 2003 in connection with portfolio transactions were \$127,939 (2002 - \$170,444).

10. Comparative Figures

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

11. Financial Instruments and Risk Management

The Fund's financial statements consist of cash, investments, and certain derivative contracts (options and forward exchange contracts).

Risks of these contracts arise from the potential inability of the counterparties to meet the terms of their contracts and from future movement in currency, stock values and interest rates. The maximum credit risk exposure is the aggregate of all contracts with a positive value as disclosed on the statement of investments. The Fund manages these risks through the use of various risk limits and trading strategies.

Investments and derivative contracts are carried at fair market values. Other instruments are carried at cost, which approximates fair value.

12. Statement of Portfolio Transactions

The Fund will provide, without charge, a Statement of Portfolio Transactions (unaudited) upon written request by any unitholder to the Fund at 121 King Street West, Suite 2600, Toronto, Ontario, M5H 3T9.

Mulvihill Capital Management Inc.

Mulvihill Capital Management is a leading independent investment manager responsible for managing more than \$3.3 billion in segregated and pooled funds on behalf of institutional and high net worth clients. Founded by Canada Trust in 1985, Mulvihill Capital Management emerged in 1995 as an independent company. Today, Mulvihill is managed by a cohesive team of senior managers and owners who have worked together for more than a decade. Our scale and independent structure allow us to provide our clients with a uniquely customized approach to asset management.

Mulvihill Capital Management operates three main lines of business:

- Mulvihill Institutional Asset Management → provides asset growth management of pension funds, corporations, management companies, endowment foundations and mutual funds with a wide variety of investment mandates. Our reputation has been built on the ability to provide customized portfolios that meet the stated needs of our clients.
- Mulvihill Wealth Management → offers a comprehensive specialized approach tailored to a client's personal investment strategies. Personalized service and customized reporting ensure that our clients are fully aware of the progress they are making.
- Mulvihill Structured Products → is responsible for the development and management of Mulvihill Hybrid Income Funds tailored to meet very specific investment objectives. Assets are generally managed to meet absolute rather than relative returns.

Mulvihill's Hybrid Income Funds are exchange-traded, equity-based funds that are enhanced by virtue of their broad distribution, special structure and performance characteristics. The Hybrid Income Funds are prime examples of our customized approach to asset management.

MULVIHILL HYBRID INCOME FUNDS	SYMBOL	HIGH	LOW
MULVIHILL PLATINUM			
Mulvihill Pro-AMS U.S. Fund	PAM.UN	\$ 20.81	\$ 18.79
Mulvihill Pro-AMS RSP Fund	PR.UN	\$ 19.78	\$ 18.15
Mulvihill Pro-AMS 100 Plus (Cdn \$) Fund	PRC.UN	\$ 20.70	\$ 17.45
Mulvihill Pro-AMS 100 Plus (U.S. \$) Fund	PRU.U	\$ 19.90 USD	\$ 15.40 USD
Mulvihill Pro-AMS RSP Split Share Fund	SPL.A/SPL.B	\$ 9.50/\$ 17.24	\$ 7.78/\$ 14.30
MULVIHILL PREMIUM			
Mulvihill Premium Canadian Fund	FPI.UN	\$ 20.55	\$ 17.70
Mulvihill Premium U.S. Fund	FPU.UN	\$ 14.25	\$ 12.36
Mulvihill Premium Oil & Gas Fund	FPG.UN	\$ 9.50	\$ 8.13
Mulvihill Premium 60 Plus Fund	SIX.UN	\$ 20.60	\$ 17.91
Mulvihill Premium Global Plus Fund	GIP.UN	\$ 13.89	\$ 11.82
Mulvihill Premium Canadian Bank Fund	PIC.A/PIC.PR.A	\$ 12.65/\$ 17.00	\$ 9.22/\$ 15.00
Mulvihill Premium Split Share Fund	MUH.A/MUH.PR.A	\$ 11.19/\$ 16.00	\$ 7.71/\$ 15.00
Mulvihill Premium Global Telecom Fund	GT.A/GT.PR.A	\$ 2.35/\$ 11.66	\$ 1.00/\$ 9.60
MULVIHILL SUMMIT			
Mulvihill Summit Digital World Fund	DWT.UN	\$ 4.00	\$ 3.25

Mulvihill Premium Global Plus Fund [GIP.UN]

Board of Advisors

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Chairman & President,
Mulvihill Capital Management Inc.

David N. Middleton

Vice President, Finance & CFO,
Mulvihill Capital Management Inc.

Michael M. Koerner

Corporate Director

Robert W. Korthals

Corporate Director

C. Edward Medland

President, Beauwood Investments Inc.

Information

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GIP.UN

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

Hybrid Income Funds Managed by Mulvihill Structured Products

Mulvihill Platinum

*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*

Mulvihill Premium

*Mulvihill Premium Canadian Fund
Mulvihill Premium U.S. Fund
Mulvihill Premium Oil & Gas Fund
Mulvihill Premium 60 Plus Fund
Mulvihill Premium Global Plus Fund
Mulvihill Premium Canadian Bank Fund
Mulvihill Premium Split Share Fund
Mulvihill Premium Global Telecom Fund*

Mulvihill Summit

Mulvihill Summit Digital World Fund

Mutual Funds Managed by Mulvihill Capital Management

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

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