

SECURITIES AND EXCHANGE COMMISSION

FORM N-30D

Initial annual and semi-annual reports mailed to investment company shareholders pursuant to Rule 30e-1 (other than those required to be submitted as part of Form NCSR)

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VOYAGEUR MUTUAL FUNDS III INC /MN/

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[LOGO]

AGGRESSIVE GROWTH FUND
GROWTH STOCK FUND
INTERNATIONAL EQUITY FUND

ANNUAL REPORT

Dated April 30, 1995

Voyageur offers a family of mutual funds, each with an individual objective stated in its prospectus. Investment objectives of the funds range from high current income to long-term capital appreciation. Exchange privileges allow you to change your investment between Voyageur Funds as your objectives or market conditions change.

VOYAGEUR TAX FREE FUNDS seek high current income free from both Federal income taxes and state income taxes (where applicable). The Funds invest in investment grade municipal bonds.

Voyageur ARIZONA Tax Free Fund	Voyageur KANSAS Tax Free Fund
Voyageur CALIFORNIA Tax Free Fund	Voyageur MINNESOTA Tax Free Fund
Voyageur COLORADO Tax Free Fund	Voyageur NEW MEXICO Tax Free Fund
Voyageur FLORIDA Tax Free Fund	Voyageur NORTH DAKOTA Tax Free Fund
Voyageur IDAHO Tax Free Fund	Voyageur UTAH Tax Free Fund
Voyageur IOWA Tax Free Fund	Voyageur WISCONSIN Tax Free Fund

VOYAGEUR INSURED TAX FREE FUNDS seek high current income free from both Federal income taxes and state income taxes (where applicable) with the added safety of an insured portfolio. The Funds invest in insured municipal bonds.

<TABLE>
<CAPTION>

<S>	<C>
Voyageur ARIZONA Insured Tax Free Fund	Voyageur MISSOURI Insured Tax Free Fund
Voyageur CALIFORNIA Insured Tax Free Fund	Voyageur NATIONAL Insured Tax Free Fund
Voyageur FLORIDA Insured Tax Free Fund	Voyageur OREGON Insured Tax Free Fund
Voyageur MINNESOTA Insured Fund	Voyageur WASHINGTON Insured Tax Free Fund

</TABLE>

VOYAGEUR LIMITED TERM FUNDS seek to preserve original investment principal while providing income free from both Federal income taxes and state income taxes (where applicable). The Funds invest in intermediate term investment grade municipal bonds.

<TABLE>
<CAPTION>

<S>	<C>
Voyageur FLORIDA Limited Term Tax Free Fund	Voyageur MINNESOTA Limited Term Tax Free Fund

</TABLE>

VOYAGEUR EQUITY FUNDS seek long term capital appreciation by investing in common stocks.

Voyageur AGGRESSIVE GROWTH Fund	Voyageur INTERNATIONAL Equity Fund
Voyageur GROWTH Stock Fund	

VOYAGEUR INCOME FUNDS seek high current income from investments issued,

guaranteed or otherwise backed by the full faith and credit of the U.S. Government.

Voyageur U.S. GOVERNMENT SECURITIES Fund

VOYAGEUR CASH TRUST SERIES MONEY MARKET FUNDS seek high current income, principal protection and liquidity by investing in money market instruments.

Voyageur CALIFORNIA MUNICIPAL CASH Series	Voyageur MUNICIPAL CASH Series
Voyageur FLORIDA MUNICIPAL CASH Series	Voyageur OHIO MUNICIPAL CASH Series
Voyageur GOVERNMENT CASH Series	Voyageur PRIME CASH Series
Voyageur MINNESOTA MUNICIPAL CASH Series	Voyageur TREASURY CASH Series

For more complete information regarding the investment objectives, fees and expenses of the Funds, please obtain a prospectus from your Investment Representative or from Voyageur, 90 South Seventh Street, Suite 4400, Minneapolis, MN 55402-4115; (612) 376-7044 (local); 800-525-6584 (MKTG).

Dear Shareholder:

One of the reasons we expanded our equity offerings last year was to provide investors with some "global" opportunities. The Voyageur International Equity Fund is an obvious global opportunity with investment positions in approximately 19 countries. However, Voyageur's two other equity funds, although not considered international, have some indirect global connections. Many of the quality stocks contained in these portfolios are issued by American companies that are operating in or expanding into foreign markets. As the global economy continues to connect countries, businesses, and people, we believe your Voyageur equity funds are positioned to perform well.

Our veteran equity fund, the Growth Stock Fund, had an exceptional year and demonstrated successful performance during this reporting period. The other funds, the Aggressive Growth Fund and the International Equity Fund significantly underperformed their respective indices, the Standard and Poor's 500 Index and the Morgan Stanley EAFE Index. We have taken into account that these two funds have been in existence less than one year, and believe that we shall see stronger performance in the future. See the attached charts for specific performance information about each Fund.

At the close of this reporting period, we took advantage of an opportunity to leverage the talents and track record of Tony Elavia, a portfolio manager who joined Voyageur in February, to manage the Aggressive Growth Fund. Tony brings 12 years of investment and research expertise to his new role at Voyageur.

Sincerely,

/s/ John G. Taft
John G. Taft
President
Voyageur Aggressive Growth Fund
Voyageur Growth Stock Fund
Voyageur International Equity Fund

Voyageur Aggressive Growth Fund

It would be an understatement to say that last year was a difficult and frustrating year. The Voyageur Aggressive Growth Fund underperformed its comparable index, the S&P 500, by 12.43%.

Our quantitative models and industry analysis pointed us to sectors experiencing rapid growth at reasonable prices. However, within a non-indexed small cap portfolio, the possibility existed that one or two issues could dramatically affect a sector or the whole portfolio when viewing short term performance despite broad diversification efforts.

We were disadvantaged by our lack of exposure to Financial Services and Utilities; however, our style and logic constraints did not allow us to contribute "growth" funds to sectors that did not exhibit real growth and that rose and fell with short term fluctuations in commodity (including interest rates or money as a commodity) prices.

In closing, we remain committed to the belief that earnings, growth, good relative value, industry attractiveness, and good company fundamentals are the cornerstones of a long term investment process in any equity market.

GEORGE D. BJURMAN & ASSOCIATES, SUB-ADVISER

George D. Bjurman & Associates, a leading equity manager with over 20 years of experience, was the Sub-Adviser to the Fund for this reporting period.

Note to Shareholders: On May 1, 1995, the Fund changed portfolio managers. Moving forward, the strategy outlined by the new manager for the Fund includes the following:

- * Buying undervalued stocks which show strong promise of future profitability.
- * Underweight or overweight certain sectors, as the market climate warrants.
- * Incorporate long- and medium-term "themes" into the portfolio.

Long term: overweighting in electronics, communication equipment, and computer hardware and software.
Medium term: health care, HMOs, and medical devices.

By instituting these and other strategies, the Voyager Aggressive Growth Fund's management hopes to bring the Fund's performance in greater alignment with the S&P 500.

VOYAGEUR AGGRESSIVE GROWTH FUND
INVESTMENT PERFORMANCE
THROUGH APRIL 30, 1995

Class A Shares

	Voyageur Aggressive Growth Fund Without Sales Charge Ending Value \$10,400	Voyageur Aggressive Growth Fund With Sales Charge \$9,906	Standard and Poor's 500 Index - Ending Value \$11,643
May-94	\$10,000	\$ 9,525	\$10,000
May-94	\$ 9,920	\$ 9,449	\$10,079
Jun-94	\$ 9,920	\$ 8,782	\$ 9,830
Jul-94	\$ 9,270	\$ 8,830	\$10,155
Aug-94	\$10,240	\$ 9,754	\$10,568
Sep-94	\$10,130	\$ 9,649	\$10,313
Oct-94	\$10,520	\$10,020	\$10,549
Nov-94	\$10,020	\$ 9,544	\$10,162
Dec-94	\$ 9,900	\$ 9,430	\$10,310
Jan-95	\$ 9,510	\$ 9,058	\$10,578
Feb-95	\$ 9,880	\$ 9,411	\$10,989
Mar-95	\$10,340	\$ 9,849	\$11,314
Apr-95	\$10,400	\$ 9,906	\$11,643

Class C Shares

	Voyageur Aggressive Growth Fund - Ending Value \$10,330	Standard and Poor's 500 Index - Ending Value \$11,643
May-94	\$10,000	\$10,000
May-94	\$ 9,920	\$10,079
Jun-94	\$ 9,210	\$ 9,830
Jul-94	\$ 9,250	\$10,155
Aug-94	\$10,220	\$10,568
Sep-94	\$10,100	\$10,313
Oct-94	\$10,480	\$10,549
Nov-94	\$ 9,980	\$10,162
Dec-94	\$ 9,850	\$10,310
Jan-95	\$ 9,460	\$10,578
Feb-95	\$ 9,820	\$10,989
Mar-95	\$10,280	\$11,314

Voyageur Aggressive Growth Fund
Total Returns
(Class A Shares)

Since
5/16/94**

Without Sales Charge 4.00%

With Sales Charge (0.94)%

Voyageur Aggressive Growth Fund
Total Returns
(Class C Shares)

Since
5/20/94**

Without Contingent Deferred Sales Charge 3.30%

With Contingent Deferred Sales Charge*** 2.30%

The performance of separate classes will vary based on the differences in sales loads and distribution fees paid by shareholders investing in the different classes. Performance quoted represents past performance and is not indicative of future results.

* Total return includes the maximum 4.75% sales charge.

** Commencement of operations.

*** Assumes redemption on April 30, 1995.

The Standard and Poor's 500 Index is an unmanaged, market value weighted index of 500 widely held common stocks. The index includes industrial, utility, financial and transportation stocks primarily, but not exclusively, traded on the New York Stock Exchange. The S & P 500 represents approximately 77% of the NYSE market capitalization. The index assumes that no operating expenses, transaction fees or sales charges are incurred by a hypothetical investor who directly owns the securities maintained in the index. In order to outperform the index over any specific time frame, a fund must return to investors an amount greater than that provided by the index plus total operating expenses.

Voyageur Growth Stock Fund

Throughout the year, the fund did well. There has been a fundamental shift in equity markets which favors quality securities. Since this Fund invests in high quality securities, we were in good position for the flight to quality trend.

We buy companies for the long term in order to participate in their earnings and dividend growth, and we generally hold companies for an average of five years. Despite this commitment to holding companies for the long term, we will sell a company if we see signs of overvalue or fundamental problems. In this reporting period, for example, we sold our WMX Technologies (Waste Management) holdings because the company's rating was being downgraded. Instead we purchased Motorola, Inc., a higher quality stock in a different sector that was less sensitive to the domestic economy and in alignment with our current strategy of global diversification.

Our approach with this Fund is to select stocks from a relatively narrow segment of quality stocks within the market (a universe of approximately 240 companies rated A+ or A), concentrate our portfolio in 30 of these high quality companies, and buy companies for the long term.

For the remainder of the year, we see the market looking pricey and ensuing volatility will, most likely, lead people to seek quality investments. We have assumed a defensive, quality posture by positioning the portfolio in large cap, multinational companies. The market will likely adjust downward making the second half of the year a more difficult environment for capital appreciation than was the first half. All in all, we anticipate continued good relative performance for the Fund.

JAMES C. KING

Mr. King is an Executive Vice President of Voyageur Fund Managers, Inc. and portfolio manager for the Growth Stock Fund. He has managed the Fund since January 1992 and has over 28 years of investment experience.

VOYAGEUR GROWTH STOCK FUND
INVESTMENT PERFORMANCE
THROUGH APRIL 30, 1995

	VOYAGEUR GROWTH STOCK FUND	VOYAGEUR GROWTH STOCK FUND	
WILSHIRE LARGE	WITHOUT SALES CHARGE - ENDING VALUE \$37,961	WITH SALES CHARGE - ENDING VALUE \$36,158	COMPANY GROWTH INDEX - ENDING VALUE \$38,149
Jul-85	\$10,000	\$ 9,525	\$10,000
	\$10,054	\$ 9,576	\$ 9,898
	\$10,094	\$ 9,614	\$ 9,536
	\$10,234	\$ 9,748	\$ 9,951
	\$10,653	\$10,147	\$10,763
	\$11,025	\$10,502	\$11,313
	\$11,483	\$10,937	\$11,326
	\$12,262	\$11,680	\$12,147
	\$13,123	\$12,500	\$12,876
Apr-86	\$13,528	\$12,886	\$12,882
	\$14,490	\$13,802	\$13,604
	\$15,105	\$14,388	\$13,884
	\$13,812	\$13,156	\$13,023
	\$14,596	\$13,903	\$13,671
	\$13,456	\$12,817	\$12,268
	\$14,525	\$13,835	\$13,110
	\$14,393	\$13,709	\$13,368
	\$14,759	\$14,058	\$13,062
	\$16,703	\$15,910	\$14,922
	\$16,723	\$15,929	\$15,862
	\$17,904	\$17,054	\$16,077
Apr-87	\$17,772	\$16,928	\$15,663
	\$18,087	\$17,228	\$15,816
	\$18,617	\$17,732	\$16,737
	\$18,871	\$17,975	\$17,579
	\$19,858	\$18,915	\$18,419
	\$19,533	\$18,605	\$17,944
	\$15,064	\$14,349	\$13,822
	\$14,006	\$13,340	\$12,603
	\$15,916	\$15,160	\$13,680
	\$15,686	\$14,941	\$14,148
	\$16,386	\$15,608	\$15,001
	\$16,501	\$15,717	\$14,529
Apr-88	\$16,825	\$16,026	\$14,468
	\$16,365	\$15,588	\$14,401
	\$17,442	\$16,613	\$15,144
	\$16,971	\$16,165	\$15,023
	\$16,313	\$15,538	\$14,609
	\$17,128	\$16,314	\$15,475
	\$17,065	\$16,255	\$15,722
	\$16,574	\$15,787	\$15,432
	\$17,607	\$16,770	\$15,760
	\$18,593	\$17,710	\$16,800
	\$18,352	\$17,480	\$16,399
	\$18,855	\$17,960	\$16,940
Apr-89	\$20,345	\$19,379	\$17,909
	\$21,080	\$20,079	\$18,903
	\$20,125	\$19,169	\$18,733

	\$21,227	\$20,218	\$20,814
	\$21,993	\$20,948	\$21,016
	\$22,832	\$21,748	\$20,972
	\$22,339	\$21,278	\$20,645
	\$22,906	\$21,818	\$21,089
	\$22,741	\$21,661	\$21,310
	\$20,777	\$19,790	\$19,731
	\$21,588	\$20,562	\$19,774
	\$22,421	\$21,356	\$20,577
Apr-90	\$21,519	\$20,497	\$20,297
	\$24,243	\$23,091	\$22,528
	\$24,714	\$23,540	\$22,762
	\$23,028	\$21,934	\$22,496
	\$20,463	\$19,491	\$20,312
	\$19,223	\$18,310	\$18,957
	\$18,975	\$18,074	\$18,843
	\$20,363	\$19,396	\$20,415
	\$21,231	\$20,223	\$21,382
	\$22,651	\$21,575	\$22,836
	\$24,848	\$23,667	\$24,759
	\$25,973	\$24,739	\$25,853
Apr-91	\$25,933	\$24,701	\$25,797
	\$27,607	\$26,296	\$27,068
	\$26,535	\$25,275	\$25,772
	\$28,290	\$26,946	\$27,102
	\$29,536	\$28,133	\$28,113
	\$29,322	\$27,929	\$27,446
	\$30,608	\$29,154	\$27,740
	\$29,656	\$28,248	\$27,260
	\$33,536	\$31,943	\$31,352
	\$32,403	\$30,864	\$30,834
	\$32,443	\$30,902	\$31,121
Apr-92	\$31,850	\$30,337	\$30,296
	\$32,120	\$30,594	\$30,369
	\$32,119	\$30,593	\$30,548
	\$31,844	\$30,332	\$29,681
	\$32,667	\$31,115	\$30,883
	\$32,210	\$30,680	\$30,481
	\$32,886	\$31,324	\$30,997
	\$33,618	\$32,021	\$31,616
	\$35,245	\$33,570	\$33,014
	\$35,478	\$33,793	\$33,212
	\$35,057	\$33,148	\$32,860
	\$34,490	\$32,851	\$32,370
	\$34,563	\$32,921	\$32,785
Apr-93	\$32,604	\$31,055	\$30,952
	\$33,355	\$31,770	\$32,085
	\$32,512	\$30,968	\$31,671
	\$32,165	\$30,637	\$30,803
	\$33,098	\$31,526	\$31,924
	\$32,897	\$31,334	\$31,717
	\$33,446	\$31,857	\$32,589
	\$33,794	\$32,189	\$32,697
	\$33,805	\$32,199	\$33,033
	\$34,286	\$32,658	\$33,694
	\$33,434	\$31,846	\$33,344
	\$32,156	\$30,629	\$31,770
Apr-94	\$32,434	\$30,893	\$32,014
	\$32,786	\$31,228	\$32,421
	\$31,711	\$30,205	\$31,377
	\$32,397	\$30,858	\$32,284
	\$33,619	\$32,022	\$34,089
	\$33,175	\$31,599	\$33,478
	\$33,767	\$32,164	\$34,422
	\$33,082	\$31,511	\$33,576
	\$33,729	\$32,127	\$34,016
	\$35,102	\$33,434	\$34,982
	\$36,284	\$34,560	\$36,251
	\$37,085	\$35,323	\$37,310
Apr-95	\$37,962	\$36,158	\$38,149

Voyageur
Growth Stock Fund
Average Annual Total Returns

	1 Year	5 Year	Since 8/1/85**
Without Sales Charge	17.04%	12.02%	14.66%
With Sales Charge	11.48%	10.94%	14.09%

Performance quoted represents past performance and is not indicative of future results.

* Average annual total returns include the maximum 4.75% sales charge.

** Commencement of operations.

Wilshire Large Company Growth Index

The Wilshire Large Company Growth Index includes equity securities that fit the "growth stock" characteristics established from the largest 750 stocks in the Wilshire 5000 index. These companies have market capitalization of at least \$725 million and account for 99 percent of the total market capitalization of the Wilshire 5000. The index assumes that no operating expenses, transaction fees or sales charges are incurred by a hypothetical investor who directly owns the securities maintained in the index. In order to outperform the index over any specific time frame, a fund must return to investors an amount greater than that provided by the index plus total operating expenses.

Voyageur International Equity Fund

Throughout much of 1994, global markets continued to focus on the United States, where strong growth led to worries over the emergence of inflation and precautionary interest rate hikes. An overreaction to economic events in the United States translated into an unimpressive 1994 for international markets. As the year ended, bond markets showed traces of stability and strength. This translated into short-term improvement in most markets, with some impressive movements recorded in Southeast Asia and Europe.

In the first quarter of 1995, international markets were unsettled by three factors: the confusion over the state of the U.S. economy and the direction of interest rates, the continuing slide in Mexico and its impact on other emerging markets, and world-wide currency volatility, stemming from both of these situations.

For the balance of 1995, we believe the progress in the U.S. market will be modest. When it becomes clear that earnings have peaked for this cycle, stock prices will begin to retreat. Other markets, however, are behind the United States in the industrial and stock market cycle. In Europe, economic recovery is strengthening earnings and improving valuations which stock markets are beginning to respond to. In Southeast Asia, we see great potential, especially in Hong Kong.

The outlook for Japan, however, remains mixed. The domestic recovery has been growing after the long recession, but progress is likely to be stalled by an inexorable rise of the Yen which will likely lead to another round of cuts to profit forecasts for 1995, taking the gloss off what would otherwise be an economy seeing a sound recovery.

Therefore, we will continue with a well underweighted exposure to Japan while the focus of the portfolio will remain on Europe and the smaller markets in the Far East.

MURRAY JOHNSTONE INTERNATIONAL LTD.

Murray Johnstone International serves as the Sub-Adviser to the Fund. Based in Glasgow, Scotland, Murray Johnstone is a leading international money manager whose origins date back to 1907.

VOYAGEUR INTERNATIONAL EQUITY FUND INVESTMENT PERFORMANCE THROUGH APRIL 30, 1995

Class A Shares

	Voyageur International Equity Fund Without Sales Charge	Voyageur International Equity Fund With Sales Charge	Morgan Stanley EAFE Index - Ending
	Ending Value \$9,420	Ending Value \$8,973	Value \$10,590
May-94	\$10,000	\$ 9,525	\$10,000
May-94	\$ 9,840	\$ 9,373	\$ 9,972
Jun-94	\$ 9,660	\$ 9,201	\$10,113
Jul-94	\$ 9,840	\$ 9,373	\$10,210
Aug-94	\$10,130	\$ 9,649	\$10,452
Sep-94	\$ 9,900	\$ 9,430	\$10,123
Oct-94	\$ 9,980	\$ 9,506	\$10,460
Nov-94	\$ 9,430	\$ 8,982	\$ 9,957
Dec-94	\$ 9,100	\$ 8,668	\$10,020
Jan-95	\$ 8,740	\$ 8,325	\$ 9,635
Feb-95	\$ 8,730	\$ 8,315	\$ 9,607
Mar-95	\$ 9,150	\$ 8,715	\$10,206
Apr-95	\$ 9,420	\$ 8,973	\$10,590

Class C Shares

	Voyageur International Equity Fund	Morgan Stanley EAFE Index - Ending
	Ending Value \$9,369	Value \$10,590
May-94	\$10,000	\$10,000
May-94	\$ 9,830	\$ 9,972
Jun-94	\$ 9,640	\$10,113
Jul-94	\$ 9,810	\$10,210
Aug-94	\$10,100	\$10,452
Sep-94	\$ 9,880	\$10,123
Oct-94	\$ 9,950	\$10,460
Nov-94	\$ 9,379	\$ 9,957
Dec-94	\$ 9,049	\$10,020
Jan-95	\$ 8,679	\$ 9,635
Feb-95	\$ 8,659	\$ 9,607
Mar-95	\$ 9,089	\$10,206
Apr-95	\$ 9,369	\$10,590

Voyageur International Equity Fund
Total Returns
(Class A Shares)

Since
5/16/94**

Without Sales Charge (5.80)%

With Sales Charge (10.27)%

Voyageur International Equity Fund
Total Returns
(Class C Shares)

Since
5/20/94**

Without Contingent Deferred Sales Charge (6.31)%

With Contingent Deferred Sales Charge*** (7.24)%

The performance of separate classes will vary based on the differences in sales loads and distribution fees paid by shareholders investing in the different classes. Performance quoted represents past performance and is not indicative of future results.

- * Total return includes the maximum 4.75% sales charge.
- ** Commencement of operations.
- *** Assumes redemption on April 30, 1995.

The Morgan Stanley EAFE Index is an unmanaged index of approximately 1,000 stocks representing the markets of 18 countries in Europe, Australia, New Zealand and the Far East. The index is in U.S. dollars with net dividends. The index assumes no operating expenses, transaction fees or sales charges are incurred by a hypothetical investor who directly owns the securities maintained in the index. In order to outperform the index over any specific time frame, a fund must return to investors an amount greater than that provided by the index plus total operating expenses.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
 Voyageur Mutual Funds III, Inc.

We have audited the accompanying statements of assets and liabilities, including the schedules of investments in securities, of Voyageur Aggressive Growth Fund, Voyageur Growth Stock Fund and Voyageur International Equity Fund (funds within Voyageur Mutual Funds III, Inc.) as of April 30, 1995, and the related statements of operations for the year then ended (period from May 16, 1994, commencement of operations, to April 30, 1995 for Voyageur Aggressive Growth Fund and Voyageur International Equity Fund), the statements of changes in net assets for each of the years in the two-year period ended April 30, 1995 for Voyageur Growth Stock Fund (period from May 16, 1994 to April 30, 1995 for Voyageur Aggressive Growth Fund and Voyageur International Equity Fund) and the financial highlights for each of the years in the five-year period ended April 30, 1995 for Voyageur Growth Stock Fund (period from May 16, 1994 to April 30, 1995 for Voyageur Aggressive Growth Fund and Voyageur International Equity Fund). These financial statements and the financial highlights are the responsibility of Fund management. Our responsibility is to express an opinion on these financial statements and the financial highlights based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 and the financial highlights. Investment securities held in custody are confirmed to us by the custodian. As to securities purchased and sold but not received or delivered, we request confirmations from brokers, and where replies are not received, we carry out other appropriate auditing procedures. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Voyageur Aggressive Growth Fund, Voyageur Growth Stock Fund and Voyageur International Equity Fund, at April 30, 1995 and the results of their operations, changes in their net assets and the financial highlights for the periods stated in the first paragraph above, in conformity with generally accepted accounting principles.

KPMG Peat Marwick LLP

Minneapolis, Minnesota
 June 2, 1995

THE VOYAGEUR FUNDS
 STATEMENTS OF ASSETS AND LIABILITIES

APRIL 30, 1995

<TABLE>
 <CAPTION>

VOYAGEUR
 AGGRESSIVE

VOYAGEUR
 GROWTH

VOYAGEUR
 INTERNATIONAL

ASSETS	GROWTH FUND	STOCK FUND	EQUITY FUND
<S>	<C>	<C>	<C>
Investments in securities, at market value (note 1) (identified costs: \$1,783,487, \$20,044,410 and \$1,685,485, respectively)...	\$2,047,641	\$23,043,352	\$1,686,075
Cash in bank on demand deposit (including foreign currency of \$13,836 for the International Equity Fund).....	277,308	640,512	288,763
Dividends and interest receivable.....	713	32,818	4,667
Receivable for investment securities sold.....	--	--	89,346
Receivable for Fund shares sold.....	--	29,059	--
Organizational costs (note 1).....	17,127	--	25,193
Total assets.....	2,342,789	23,745,741	2,094,044
LIABILITIES			
Payable for investment securities purchased.....	--	--	43,680
Payable for Fund shares redeemed.....	--	53,373	--
Accrued expenses.....	25,769	40,964	21,414
Total liabilities.....	25,769	94,337	65,094
NET ASSETS APPLICABLE TO OUTSTANDING CAPITAL STOCK.....	\$2,317,020	\$23,651,404	\$2,028,950
Represented by:			
Capital Stock - \$.01 par value (note 1).....	\$ 2,228	\$ 11,881	\$ 2,154
Additional paid-in capital.....	2,170,996	20,661,055	2,082,558
Undistributed net investment income.....	2,815	37,219	4,141
Accumulated net realized loss on investments and foreign currency transactions.....	(123,173)	(57,693)	(60,774)
Unrealized appreciation on investments and translation of assets and liabilities in foreign currencies.....	264,154	2,998,942	871
TOTAL NET ASSETS.....	\$2,317,020	\$23,651,404	\$2,028,950
Net assets applicable to outstanding Class A shares.....	\$2,189,491	\$23,651,404	\$2,008,747
Net assets applicable to outstanding Class C shares.....	\$ 127,529	N/A	\$ 20,203
SHARES OUTSTANDING AND NET ASSET VALUE PER SHARE			
Class A - Shares of capital stock outstanding: 210,454, 1,188,057 and 213,245, respectively (note 4).....	\$10.40	\$19.91	\$9.42
Class C - Shares of capital stock outstanding: 12,341, N/A and 2,159, respectively (note 4).....	\$10.33	N/A	\$9.36

</TABLE>

See accompanying notes to financial statements.

<TABLE>
<CAPTION>

THE VOYAGEUR FUNDS
STATEMENTS OF OPERATIONS

PERIOD ENDED APRIL 30, 1995

	VOYAGEUR AGGRESSIVE GROWTH FUND*	VOYAGEUR GROWTH STOCK FUND	VOYAGEUR INTERNATIONAL EQUITY FUND*
<S>	<C>	<C>	<C>
Investment income:			
Dividends (net of foreign taxes withheld of \$3,351 for the International Equity Fund).....	\$ 8,614	\$ 600,690	\$ 23,109
Interest	--	51,997	--
Total investment income.....	8,614	652,687	23,109
Expenses (note 2):			
Investment advisory and management fee.....	16,102	123,185	15,991
Dividend disbursing, administrative and accounting services fees	21,447	74,127	41,580
Distribution fee - Class A.....	3,885	246,598	3,979
Distribution fee - Class C.....	562	N/A	83
Printing, postage and supplies.....	2,101	1,707	3,233
Legal fees	2,051	4,378	1,938
Custodian fees.....	7,126	11,952	11,397
Compensation of directors.....	642	2,129	1,067
Audit and accounting fees.....	6,188	11,779	11,312
Registration fees.....	6,550	13,452	4,700
Amortization of organizational costs.....	763	--	1,122

Other expenses.....	1,182	665	644
Total expenses.....	68,599	489,972	97,046
Less (note 2):			
Expenses waived or absorbed.....	(40,000)	(2,621)	(65,000)
Expense reductions.....	--	(19,775)	--
Total net expenses.....	28,599	467,576	32,046
Investment income (loss) - net.....	(19,985)	185,111	(8,937)
Realized and unrealized gain (loss) on investments and foreign currency - net:			
Net realized gain (loss) from:			
Investments	(123,173)	451,561	(60,774)
Foreign currency transactions.....	--	--	(341)
Net increase in unrealized appreciation on:			
Investments.....	264,154	3,009,595	590
Translation of other assets and liabilities in foreign currencies	--	--	281
Net gain (loss) on investments and foreign currency.....	140,981	3,461,156	(60,244)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS.	\$120,996	\$3,646,267	\$ (69,181)

</TABLE>

*Period from May 16, 1994 (commencement of operations) to April 30, 1995.

See accompanying notes to financial statements.

THE VOYAGEUR FUNDS
STATEMENTS OF CHANGES IN NET ASSETS

<TABLE>
<CAPTION>

	VOYAGEUR AGGRESSIVE GROWTH FUND PERIOD FROM MAY 16, 1994* TO APRIL 30, 1995	VOYAGEUR GROWTH STOCK FUND YEAR ENDED APRIL 30, 1995	YEAR ENDED APRIL 30, 1994
<S>	<C>	<C>	<C>
Operations:			
Investment income (loss) - net.....	\$ (19,985)	\$ 185,111	\$ 123,620
Realized gain (loss) on investments - net.....	(123,173)	451,561	(19,075)
Net change in unrealized appreciation or depreciation of investments.....	264,154	3,009,595	(142,837)
Net increase (decrease) in net assets resulting from operations.....	120,996	3,646,267	(38,292)
Distributions to shareholders from:			
Investment income - net.....	--	(160,212)	(111,300)
Net realized gain on investments.....	--	(475,478)	(273,621)
Total distributions.....	--	(635,690)	(384,921)
Capital share transactions (note 4): Proceeds from sale of shares (note 2):			
Class A.....	3,249,711	3,412,884	11,111,093
Class C.....	124,305	N/A	N/A
Net asset value of shares issued in reinvestment of net investment income and net realized gain distributions:			
Class A.....	--	607,335	373,726
Class C.....	--	N/A	N/A
Payments for redemption of shares:			
Class A.....	(1,176,908)	(11,897,870)	(9,327,002)
Class C.....	(1,084)	N/A	N/A
Increase (decrease) in net assets from capital share transactions.....	2,196,024	(7,877,651)	2,157,817
Total increase (decrease) in net assets.....	2,317,020	(4,867,074)	1,734,604
Net assets at beginning of period.....	--	28,518,478	26,783,874
Net assets at end of period (including undistributed net investment income of \$2,815, \$37,219 and \$12,320, respectively).....	\$2,317,020	\$23,651,404	\$28,518,478

</TABLE>

* Commencement of operations

See accompanying notes to financial statements.

THE VOYAGEUR FUNDS
STATEMENTS OF CHANGES IN NET ASSETS (CONTINUED)

<TABLE>
<CAPTION>

	VOYAGEUR INTERNATIONAL EQUITY FUND PERIOD FROM MAY 16, 1994* TO APRIL 30, 1995
<S>	<C>
Operations:	
Investment loss - net.....	\$ (8,937)
Net realized loss on investments and foreign currency..... transactions.....	(61,115)
Net change in unrealized appreciation on investments and translation of other assets and liabilities in foreign currencies	871
Net decrease in net assets resulting from operations.....	(69,181)
Capital share transactions (note 4): Proceeds from sale of shares (note 2):	
Class A.....	3,189,630
Class C.....	20,034
Payments for redemption of shares:	
Class A.....	(1,111,533)
Class C.....	--
Increase in net assets from capital share transactions.....	2,098,131
Total increase in net assets.....	2,028,950
Net assets at beginning of period.....	--
Net assets at end of period (including undistributed net investment income of \$4,141).....	\$2,028,950

</TABLE>

*Commencement of operations

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Voyageur Aggressive Growth Fund (Aggressive Growth Fund), Voyageur Growth Stock Fund (Growth Stock Fund) and Voyageur International Equity Fund (International Equity Fund), funds within Voyageur Mutual Funds III, Inc., are registered under the Investment Company Act of 1940 (as amended) as diversified open-end management investment companies. The Aggressive Growth Fund and International Equity Fund offer Class A and Class C Shares. Class A Shares are sold with a front-end sales charge. Class C Shares may be subject to a contingent deferred sales charge and have no conversion feature. Each class of shares has identical voting, dividend, liquidation and other rights and the same terms and conditions, except that the level of distribution fees charged differs between classes. Income, expenses (other than expenses incurred under each class' Distribution Agreement) and realized and unrealized gains or losses on investments and foreign currency transactions are allocated to each class of shares based upon its relative net assets. Pursuant to its articles of incorporation, Voyageur Mutual Funds III, Inc. has 10 trillion shares of authorized capital stock that may be issued.

The significant accounting policies followed by the Funds are summarized as follows:

Investments in Securities

Investments in securities traded on national or international securities exchanges are valued at the last sales price on that exchange; securities traded

in the over-the-counter market and listed securities for which no sale was reported on the valuation date are valued on the basis of the last current bid price. Bonds and all other securities are valued at fair value using methods determined in good faith by the Board of Directors. Such fair values are determined using pricing services or prices quoted by independent brokers. Investments in short-term securities with maturities of more than 60 days from the valuation date are valued at the last bid price or at fair value as determined by a pricing service approved by the Board of Directors. Short-term securities with maturities of less than 60 days are valued at amortized cost.

Security transactions are accounted for on trade date. Realized gains and losses are calculated on the identified cost basis. Dividend income is recognized on the ex-dividend date or upon receipt of ex-dividend notification in the case of foreign securities and interest income, including level-yield amortization of premium and discount, is accrued daily.

Foreign Currency Translations and Forward Foreign Currency Contracts

The market value of securities and other assets and liabilities denominated in foreign currencies is translated daily into U.S. dollars at the closing rate of exchange. Purchases and sales of securities, and the related income and expenses are translated at the exchange rate on the transaction date. Exchange gains (losses) may also be realized between the trade and settlement dates on security and forward contract transactions.

The International Equity Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments.

The International Equity Fund may enter into forward foreign currency exchange contracts for operational purposes and to protect against adverse exchange rate fluctuation. The net U.S. dollar value of foreign currency underlying all contractual commitments held by the International Equity Fund and the resulting unrealized appreciation or depreciation would be determined using foreign currency exchange rates from an independent pricing service. The International Equity Fund would be subject to the credit risk that the other party would not complete the obligations of the contract.

Federal Taxes

The Funds' policy is to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its taxable income to shareholders in amounts that will avoid or minimize federal income or excise taxes for the Funds.

Net investment income (loss) and net realized gains (losses) may differ for financial statement and tax purposes primarily because of the recognition of certain foreign currency gains (losses) as ordinary income (loss) for tax purposes and losses deferred for tax purposes due to "wash sale" transactions. The character of distributions made during the year from net investment income or net realized gains may differ from their ultimate characterization for federal income tax purposes. Also, due to the timing of dividend distributions, the fiscal year in which amounts are distributed may differ from the year that the income or realized gains (losses) were recorded by the Fund.

On the statement of assets and liabilities, as a result of permanent book-to-tax differences, reclassification adjustments have been made to increase undistributed net investment income and decrease additional paid-in capital by \$22,800 for the Aggressive Growth Fund and to increase undistributed net investment income by \$13,078, decrease accumulated net realized loss on investments by \$341 and decrease additional paid-in capital by \$13,419 for the International Equity Fund.

For federal income tax purposes, the Aggressive Growth Fund, Growth Stock Fund and International Equity Fund had capital loss carryovers of \$123,173, \$57,693 and \$60,774, respectively, at April 30, 1995, that will expire in 2003 through 2004 if not offset by subsequent capital gains. It is unlikely the Board of Directors will authorize a distribution of any net realized capital gains until the available capital loss carryovers have been offset or expire.

Distributions to Shareholders

Distributions to shareholders from net investment income, if any, are

declared and paid annually. Net realized capital gains, if any, are also distributed annually. All distributions are payable in cash or reinvested in additional shares of each Fund.

Organizational Costs

Organizational costs of the Aggressive Growth Fund and International Equity Fund are being amortized over 60 months on an inverse acceleration (sum of the years' digits) basis.

(2) EXPENSES AND SALES CHARGES

Each Fund has an investment advisory agreement with Voyager Fund Managers, Inc. (Voyager). Under the investment advisory agreements, Voyager executes investment decisions for the Growth Stock Fund and provides all the Funds with office facilities, equipment and personnel, and monitors the performance of various organizations performing services for the Funds. The investment advisory agreements provide for the payment on a monthly basis of a fee equal to an annual rate of .50% of Growth Stock Fund's average daily net assets, and 1.0% of Aggressive Growth Fund's and International Equity Fund's average daily net assets. Investment decisions for the Aggressive Growth Fund were executed by George D. Bjurman & Associates. Voyager paid George D. Bjurman & Associates for their services a fee equal to an annualized percentage of average daily net assets at reducing rates from .75% to .40%. Investment decisions for the International Equity Fund are executed by Murray Johnstone International, Ltd. Voyager pays Murray Johnstone International, Ltd. for their service a fee equal to .50% of average daily net assets. The Funds paid no direct fees to the sub-advisors. Effective May 1, 1995, the service of George D. Bjurman & Associates was terminated for the Aggressive Growth Fund and Voyager began executing the investment decisions.

Each Fund will also pay a fee to Voyager for acting as the Funds' transfer agent, dividend-disbursing and accounting services agent. The fee for Aggressive Growth Fund and Growth Stock Fund is equal to the sum of \$1.25 per shareholder account per month, a fixed monthly fee ranging from \$1,000 to \$1,500 based on the level of the Fund's average daily net assets and an annualized percentage of average daily net assets at reducing rates from .11% to .035%. The fee for International Equity is equal to the sum of \$1.33 per shareholder account per month, a fixed monthly fee ranging from \$3,000 to \$5,000 based on the level of the Fund's average daily net assets and an annualized percentage of average daily net assets at reducing rates from .11% to .02%. Each Fund is also responsible for reimbursing Voyager's out-of-pocket expenses in connection with the performance of transfer agency, dividend disbursing and accounting services.

In addition to the advisory fee and the transfer agency, dividend disbursing and accounting services fees, each Fund is responsible for paying most other operating expenses including outside directors' fees and expenses, custodian fees, registration fees, printing and shareholder reports, legal and auditing fees and other miscellaneous expenses.

Each Fund has a distribution agreement under Rule 12b-1 of the Investment Company Act of 1940 with Voyager Fund Distributors, Inc. (Fund Distributors). Under these plans, each Fund pays Fund Distributors a monthly fee equal to an annual rate of 1% of average daily net assets for Growth Stock Fund. The distribution fee for Aggressive Growth Fund and International Equity Fund is equal to .25% for Class A Shares and 1.00% for Class C Shares.

The laws of certain states in which each Fund's shares may be offered for sale also require that each Fund be reimbursed to the extent such Fund's total expenses exceed certain percentages of average daily net assets. The most restrictive state limitation to which the funds are currently subject provides that total expenses (excluding certain distribution plan expenses) cannot exceed 2.5% of the first \$30 million of average daily net assets, 2.0% of the next \$70 million, and 1.50% of the average daily net assets in excess of \$100 million. Also Voyager has voluntarily agreed to pay all expenses (excluding stock transfer fees, taxes, interest and brokerage commissions) which exceed 1.75% of average daily Class A net assets and 2.50% of average daily Class C net assets for Aggressive Growth Fund, 1.90% for Growth Stock Fund and 2.00% of average daily Class A net assets and 2.75% of average daily Class C net assets for International Equity Fund, on an annual basis. During the periods ended April 30, 1995, Voyager absorbed \$20,030 for Aggressive Growth Fund and \$49,311 for International Equity Fund pursuant to the most restrictive state limitation and voluntarily absorbed \$19,970 for Aggressive Growth Fund, \$2,621 for Growth Stock Fund and \$15,689 for International Equity Fund. Growth Stock Fund earned \$19,775 in credits on

uninvested cash balances held at the custodian which were used to reduce certain fees for various custodial, pricing and accounting services provided by the custodian bank.

Sales charges paid by shareholders during the periods ended April 30, 1995 were \$8,965, \$34,138, and \$6,234 for Aggressive Growth Fund, Growth Stock Fund and International Equity Fund, respectively. Of these amounts, Fund Distributors received \$1,297, \$5,137, and \$979, respectively.

(3) INVESTMENT SECURITIES TRANSACTIONS

Cost of purchases and proceeds from sales of investment securities (other than short-term securities) aggregated \$3,155,196 and \$1,248,536 for Aggressive Growth Fund, \$5,013,103 and \$12,737,509 for Growth Stock Fund and \$2,990,563 and \$1,244,304 for International Equity Fund during the periods ended April 30, 1995.

(4) CAPITAL STOCK

Transactions in shares of capital stock during the periods ended April 30, 1995 and the year ended April 30, 1994 were as follows:

<TABLE>
<CAPTION>

	AGGRESSIVE GROWTH FUND		GROWTH STOCK FUND	
	CLASS A PERIOD FROM MAY 16, 1994* TO APRIL 30, 1995	CLASS C PERIOD FROM MAY 20, 1994* TO APRIL 30, 1995	YEAR ENDED APRIL 30, 1995	YEAR ENDED APRIL 30, 1994
<S>	<C>	<C>	<C>	<C>
Shares sold.....	335,020	12,449	187,945	621,079
Shares issued for reinvested distributions.....	--	--	34,332	20,478
Shares redeemed.....	(124,566)	(108)	(662,562)	(516,982)
Increase (decrease) in shares outstanding.....	210,454	12,341	(440,285)	124,575

</TABLE>

<TABLE>
<CAPTION>

	INTERNATIONAL EQUITY FUND	
	CLASS A PERIOD FROM MAY 16, 1994* TO APRIL 30, 1995	CLASS C PERIOD FROM MAY 20, 1994* TO APRIL 30, 1995
<S>	<C>	<C>
Shares sold.....	327,714	2,159
Shares redeemed.....	(114,469)	--
Increase in shares outstanding.....	213,245	2,159

</TABLE>

*Commencement of operations

(5) FINANCIAL HIGHLIGHTS

Per share data (rounded to the nearest cent) for a share of capital stock outstanding and selected information for each period are as follows:

<TABLE>
<CAPTION>

	AGGRESSIVE GROWTH FUND	
	CLASS A PERIOD FROM MAY 16, 1994* TO APRIL 30, 1995	CLASS C PERIOD FROM MAY 20, 1994* TO APRIL 30, 1995
<S>	<C>	<C>

Net asset value:		
Beginning of period.....	\$10.00	\$10.00
Operations:		
Net investment loss.....	(.09)	(.16)
Net realized and unrealized gain on investments.....	.49	.49
Total from operations.....	.40	.33
Net asset value:		
End of period.....	\$10.40	\$10.33
Total investment return (c).....	4.00%	3.30%
Net assets at end of period (000's omitted).....	\$2,189	\$128
Ratios:		
Expenses to average net assets	1.74% (a)	2.40% (a)
Net investment loss to average net assets.....	(1.21) % (a)	(1.80) % (a)
Assuming no voluntary waivers and reimbursements, up to the most restrictive state limitation in effect:.....		
Expenses.....	2.97% (a)	3.50% (a)
Net investment loss.....	(2.44) % (a)	(2.90) % (a)
Portfolio turnover rate (excluding short-term securities).....	88.3%	88.3%

</TABLE>

Per share amounts are presented based upon average fund shares outstanding.

* Commencement of operations

See accompanying notes to Financial Highlights.

<TABLE>

<CAPTION>

	GROWTH STOCK FUND				
	YEAR ENDED APRIL 30,				
<S>	1995	1994	1993	1992	1991 (B)
	<C>	<C>	<C>	<C>	<C>
Net asset value:					
Beginning of year.....	\$17.51	\$17.81	\$23.81	\$19.36	\$18.85
Operations:					
Net investment income (loss).....	.15	.07	.05	(.18)	(.11)
Net realized and unrealized gain (loss) on investments.....	2.77	(.16)	.22	4.81	3.40
Total from operations.....	2.92	(.09)	.27	4.63	3.29
Distributions to shareholders:					
From net investment income.....	(.13)	(.06)	--	--	--
From net realized gains.....	(.39)	(.15)	(6.27)	(.18)	(2.78)
Total distributions.....	(.52)	(.21)	(6.27)	(.18)	(2.78)
Net asset value:					
End of year.....	\$19.91	\$17.51	\$17.81	\$23.81	\$19.36
Total investment return (c).....	17.04%	(.52)%	1.51%	23.86%	20.51%
Net assets at end of year (000's omitted).....	\$23,651	\$28,518	\$26,784	\$19,351	\$11,400
Ratios:					
Expenses to average net assets.....	1.90%	1.90%	1.90%	2.25%	2.36%
Net investment income (loss) to average net assets75%	.40%	.26%	(.76)%	(.67)%
Assuming no voluntary waivers, reimbursements and expense reductions:					
Expenses.....	1.99%	2.13%	2.70%	2.86%	2.86%
Net investment income (loss).....	.66%	.17%	(.54)%	(1.37)%	(1.17)%
Portfolio turnover rate (excluding short-term securities).....	21.8%	34.2%	16.5%	142.6%	128.2%

</TABLE>

<TABLE>
<CAPTION>

	INTERNATIONAL EQUITY FUND	
	CLASS A	CLASS C
	PERIOD FROM	PERIOD FROM
	MAY 16, 1994*	MAY 20, 1994*
	TO APRIL 30,	TO APRIL 30,
	1995	1995
<S>	<C>	<C>
Net asset value:		
Beginning of period.....	\$10.00	\$9.99
Operations:		
Net investment loss.....	(.05)	(.11)
Net realized and unrealized loss on investments and translation of assets and liabilities in foreign currencies.....	(.53)	(.52)
Total from operations.....	(.58)	(.63)
Net asset value:		
End of period.....	\$9.42	\$9.36
Total investment return (c).....	(5.80) %	(6.31) %
Net assets at end of period (000's omitted).....	\$2,009	\$20
Ratios:		
Expenses to average net assets.....	1.99% (a)	2.74% (a)
Net investment loss to average net assets.....	(.55) % (a)	(1.36) % (a)
Assuming no voluntary waivers and reimbursements, up to the most restrictive state limitation in effect:		
Expenses	2.97% (a)	3.50% (a)
Net investment loss.....	(1.53) % (a)	(2.12) % (a)
Portfolio turnover rate (excluding short-term securities).....	92.1%	92.1%

</TABLE>

Per share amounts are presented based upon average fund shares outstanding.

* Commencement of operations

See accompanying notes to Financial Highlights.

Notes to Financial Highlights

(a) Adjusted to an annual basis.

(b) Effective September 1, 1990, Voyageur replaced Investment Advisers, Inc. as the investment adviser and Wilke/Thompson Capital Management began acting as the Growth Stock Fund's sub-investment adviser until January 1, 1992 when Voyageur became the sole investment adviser to the Fund.

(c) Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of distributions at net asset value.

VOYAGEUR AGGRESSIVE GROWTH FUND INVESTMENTS IN SECURITIES

APRIL 30, 1995

ISSUER	NUMBER OF SHARES	MARKET VALUE (A)
--------	------------------	---------------------

(Percentages of each investment category relate to total net assets)

COMMON STOCKS (88.4%):

AUTOMOTIVE (.8%):

Breed Technologies	900	\$ 18,113
--------------------	-----	-----------

BANKING (3.4%) :

Baybanks	800	50,000
Wells Fargo & Company	175	29,028
		79,028

BASIC INDUSTRIES (2.4%) :

Dow Chemical	800	55,600
--------------	-----	--------

CAPITAL GOODS - TECHNOLOGY (2.0%) :

International Business Machines	500	47,375
---------------------------------	-----	--------

CONSUMER GROWTH (1.7%) :

Humana	2,000	39,000
--------	-------	--------

CONSUMER DEFENSIVE (2.1%) :

Safeway	1,300 (c)	48,750
---------	-----------	--------

COMPUTERS/OFFICE EQUIPMENT (14.5%) :

Cabletron Systems	1,050 (c)	49,875
Cisco Systems	1,400 (c)	55,825
EMC	4,000 (c)	79,000
Oracle Systems	1,500 (c)	45,750
Silicon Graphics	1,600 (c)	60,000
3COM	800 (c)	44,800
		335,250

DRUG/HOSPITAL SUPPLIES (5.5%) :

Health Management Associates	1,500 (c)	\$ 43,500
Mylan Laboratories	2,000	61,500
United Healthcare	600	21,750
		126,750

ELECTRONICS (18.6%) :

General Instrument	1,000 (c)	34,125
Lam Research	1,400 (c)	70,700
Micron Technology	1,000	82,250
Oak Industries	1,600 (c)	46,800
Philips Electronics	1,800	69,300
Tellabs	600 (c)	41,400
Tencor Instruments	1,000 (c)	67,750
Wall Data	1,000 (c)	19,250
		431,575

ENTERTAINMENT/LEISURE (2.6%) :

Callaway Golf	2,600	32,175
Cobra Golf	1,300 (c)	28,275
		60,450

MACHINERY (6.0%) :

Agco	2,200	78,375
Novellus Systems	1,000 (c)	60,750
		139,125

MISCELLANEOUS INDUSTRIALS (1.2%) :

Airgas	1,200 (c)	26,850
--------	-----------	--------

RETAILING (2.4%) :

Eckerd	1,900 (c)	55,338
--------	-----------	--------

SERVICES (10.8%) :

First USA	1,300	\$ 55,250
Foothill Group	1,500	32,625

Mid Atlantic Medical Services	2,400 (c)	41,400
Paychex	500	23,812
Reynolds & Reynolds	1,100	29,150
Robert Half International	2,000 (c)	52,750
U.S. Healthcare	600	16,050
		251,037

SHIPPING/FREIGHT (4.3%):

Landstar System	1,500 (c)	43,500
Wisconsin Central Transport	1,000 (c)	57,062
		100,562

TELECOMMUNICATIONS (7.4%):

ALC Communications	1,100 (c)	41,938
Cidco	1,000 (c)	36,000
Lin Broadcasting	300 (c)	37,425
U.S. Robotics	700 (c)	55,475
		170,938

TEXTILES AND SHOES (2.7%):

Chesapeake	2,000	62,000
------------	-------	--------

TOTAL INVESTMENTS IN SECURITIES (cost: \$1,783,487) (b) \$2,047,641

See accompanying notes to investments in securities on page 32.

VOYAGEUR GROWTH STOCK FUND
INVESTMENTS IN SECURITIES

APRIL 30, 1995

ISSUER	NUMBER OF SHARES	MARKET VALUE (A)
--------	------------------	---------------------

(Percentages of each investment category relate to total net assets)

COMMON STOCKS (94.1%):

BASIC INDUSTRIES (6.8%):

Bemis	29,000	\$ 804,750
Sigma-Aldrich	18,000	796,500
		1,601,250

BUILDING - CREDIT CYCLICALS (3.3%):

Gannett	15,000	789,375
---------	--------	---------

CAPITAL GOODS - INDUSTRIAL (9.9%):

General Electric	15,000	840,000
Grainger (W.W.)	12,000	726,000
Pitney - Bowes	21,000	779,625
		2,345,625

CAPITAL GOODS - TECHNOLOGY (12.3%):

Automatic Data Processing	12,000	771,000
Circuit City	30,000	776,250
Hewlett-Packard	12,000	793,500
Motorola	10,000	568,750
		2,909,500

CONSUMER DEFENSIVE STAPLES (15.6%):

Anheuser Busch	13,000	755,625
H. J. Heinz	20,000	840,000
Kellogg	7,000	444,500
Philip Morris	12,000	813,000
Sara Lee	30,000	836,250
		3,689,375

CONSUMER DURABLES (7.9%):

Bandag	12,000	\$ 712,500
Genuine Parts	20,000	775,000
Rubbermaid	13,000	383,500
		1,871,000

CONSUMER NON-DURABLES (1.3%):

Dillard Department Stores	12,000	310,500
---------------------------	--------	---------

CONSUMER GROWTH STAPLES (23.7%):

Abbott Laboratories	22,000	866,250
American Home Products	11,000	848,375
McDonalds	22,000	770,000
Merck	18,000	771,750
Pepsico	20,000	832,500
Schering-Plough	10,000	753,750
Walgreen	16,000	752,000
		5,594,625

ENERGY (7.0%):

Royal Dutch Petroleum	7,000	868,000
Shell Transport & Trading	11,000	783,750
		1,651,750

FINANCIAL SERVICES (6.3%):

Suntrust Banks	14,000	759,500
Torchmark	19,000	741,000
		1,500,500

TOTAL INVESTMENTS IN COMMON STOCK (cost: \$19,264,558) 22,263,500

ISSUER	PRINCIPAL AMOUNT	MARKET VALUE (A)
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SHORT-TERM SECURITIES (3.3%)

U.S. Treasury Bill, 5.775% due 10/05/95 (cost: \$779,852)	\$800,000	\$ 779,852
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TOTAL INVESTMENTS IN SECURITIES (cost: \$20,044,410) (b) \$23,043,352

See accompanying notes to investments in securities on page 32.

VOYAGEUR INTERNATIONAL EQUITY FUND
INVESTMENTS IN SECURITIES

APRIL 30, 1995

ISSUER	NUMBER OF SHARES	MARKET VALUE (A)
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(Percentages of each investment category relate to total net assets)

COMMON STOCKS (83.1%):

ARGENTINA (1.3%):

YPF Sociedad Anonima ADR (energy)	1,300	\$ 26,325
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AUSTRALIA (1.6%):

CSR (building materials)	10,000	32,022
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BELGIUM (2.3%):

Electrabel Com NPV (utilities)	215	46,321
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DENMARK (2.0%):

Tele Danmark A/S Ser B (telecommunications)	760	39,765
FRANCE (5.7%):		
Alcatel Alsthom CIE (telecommunications)	420	39,023
Cap Gemini Sogeti (computer services)	935(c)	34,292
Legris Industries S.A. (machinery)	570(c)	43,204
		116,519
GERMANY (2.9%):		
Munich Re Registered (insurance)	21	42,161
RWE Aktien Gesellschaft (utilities)	50	16,893
		59,054
GREAT BRITAIN (15.8%):		
Boots Company (retail)	5,000	41,037
BOC Group PLC (chemicals)	3,000	36,475
BTR PLC (diversified industrial)	8,000	42,357
Cable and Wireless PLC (telecommunications)	5,000	32,307
General Electric Company (electronics)	6,500	31,904
Grand Metropolitan PLC (wines and spirits)	4,000	25,717
Guinness PLC (wine and spirits)	4,000	30,223
Rank Organization PLC (leisure)	4,800	32,752
Smiths Industries (aerospace/defense)	4,000	31,220
Williams Holdings PLC (diversified industrials)	3,000	16,077
		320,069
HONG KONG (6.6%):		
Hutchison Whampoa (conglomerate)	10,000	43,418
Sun Hung Kai Properties (property)	7,000	44,684
Swire Pacific "A" (conglomerate)	7,000	46,810
		134,912
IRELAND (1.8%):		
Ireland Allied Irish Bank (banking)	7,900	36,742
ITALY (1.2%):		
Telecom Italia (telecommunications)	8,900	23,690
JAPAN (17.2%):		
Canon Incorporated (precision)	2,000	33,088
Hoya Corporation (precision)	1,000	28,804
Itochu Corporation (wholesale and international trade)	5,000	33,922
Mitsubishi Trust and Banking (banking)	3,000	51,775
Nippon Telephone and Telegraph (telecommunications)	4	35,374
NKK Corporation (steel)	15,000(c)	41,956
Nomura Securities Company Limited (securities houses)	2,000	40,468
Omron Corporation (electronics)	2,000	39,278
Sanwa Bank (banking)	2,000	43,324
		347,989
MEXICO (1.7%):		
Grupo Mexicano De Desarrollo Spons ADR "L" (construction)	1,500(c)	7,687
ICA Empresas ADR (construction)	1,800	15,300
Telefonos De Mexico ADR (utilities)	350	10,587
		33,574
NETHERLANDS (7.7%):		
Elsevier (media)	5,000	\$ 54,865
Gamma Holding N.V. (textiles)	370	20,061
Hunter Douglas N.V. (building materials)	925	39,704
Unilever N.V. (food manufacturers)	315	42,231

NEW ZEALAND (1.2%):

Telecom Corporation of New Zealand (telecommunications)	6,000	25,243
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NORWAY (1.9%):

Hafslund Nycomed As "B" (healthcare)	1,790	38,983
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SINGAPORE (2.8%):

Keppel Corporation (conglomerate)	3,000	24,328
Singapore Land (property)	5,000	32,294
		56,622

SPAIN (4.2%):

Banco Credito (banking)	222 (c)	1,567
Banco Santander (banking)	666	24,320
Fomento De Construc Y Contra - FCC (construction)	258	23,684
Portland Valderrivas (building materials)	350	25,590
Vallehermoso SA (real estate)	640	11,022
		86,183

SWEDEN (2.1%):

AGA AB Series B (chemicals)	3,580	41,631
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SWITZERLAND (3.1%)

Landis and GYR (engineering)	46	26,787
Roche Holding AG (pharmaceutical)	3	18,087
Winterthur Reg (insurance)	33	18,696
		63,570

TOTAL INVESTMENTS IN SECURITIES (cost: \$1,685,485) (b)		\$1,686,075
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See accompanying notes to investments in securities on page 32.

VOYAGEUR AGGRESSIVE GROWTH FUND
 VOYAGEUR GROWTH STOCK FUND
 VOYAGEUR INTERNATIONAL EQUITY FUND
 NOTES TO INVESTMENTS IN SECURITIES

(a) Securities are valued by procedures described in note 1 to the financial statements.

(b) Also represents the cost of securities for federal income tax purposes. The aggregate gross unrealized appreciation and depreciation on investments based on these costs were:

	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation
Aggressive Growth Fund	\$ 375,082	\$ (110,928)	\$ 264,154
Growth Stock Fund	3,388,942	(390,000)	2,998,942
International Equity Fund	91,763	(91,173)	590

(c) Presently non-income producing security.

THE VOYAGEUR FUNDS
 FEDERAL INCOME TAX INFORMATION

Information for federal income tax purposes is presented as an aid to shareholders in reporting the dividend distributions for the period ended April 30, 1995. Each shareholder should consult a tax adviser about reporting this income for state and local purposes. In January 1995, the Growth Stock Fund separately provided each shareholder with tax information for calendar year

1994.

<TABLE>
<CAPTION>

VOYAGEUR GROWTH STOCK FUND	YEAR ENDED APRIL 30, 1995	PAYABLE DATE
<S>	<C>	<C> <C>
Net investment income distributions.....	\$.1301	December 30, 1994
Short-term capital gain distributions.....	.0453	December 30, 1994
Long-term capital gain distributions.....	.3409	December 30, 1994
Total distribution.....	\$.5163	

</TABLE>

The short-term capital gain distributions above are taxable as ordinary income to shareholders for federal and state income tax purposes.

For federal income tax purposes, 100% of the above ordinary income distribution to corporate shareholders is eligible for the corporate dividend received deduction.

For the current reporting period, no distributions were made for Voyageur Aggressive Growth Fund and Voyageur International Equity Fund.

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VOYAGEUR [LOGO]

AGGRESSIVE GROWTH FUND
GROWTH STOCK FUND
INTERNATIONAL EQUITY FUND

ANNUAL REPORT

Dated April 30, 1995

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