

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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FILER

UNITED RETIREMENT SHARES INC

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UNITED
RETIREMENT
SHARES,
INC.

SEMIANNUAL
REPORT

For the six months ended December 31, 1993

This report is submitted for the general information of the shareholders of United Retirement Shares, Inc. It is not authorized for distribution to prospective investors in the Fund unless accompanied with or preceded by the United Retirement Shares, Inc. current prospectus.

PRESIDENT'S LETTER

DECEMBER 31, 1993

Dear Shareholder:

This report covers the investment performance of your Fund for the six months ended December 31, 1993.

During the past six months, bond and equity markets have benefited from low interest rates and minimal inflation. These markets will continue to react to events that affect the economy such as the proposed deficit reduction program and new taxes.

We are hoping to see improved economies throughout the world over the next year. We believe this would contribute to a favorable outlook for U. S. and foreign securities.

Regardless of the rise and decline of markets, we will continue to use the strengths and abilities we have developed over the past 55 years. These include:

Professional portfolio management-- As investment professionals, we pay careful attention to economic trends; we understand the business of each company in which we invest; and we have the ability to judge the management of such companies as they adapt to changes in the industries and markets they serve.

A widely diversified approach-- Our extensive experience managing a variety of securities allows us to see the whole "investment pie." We use this broad view to consider every investment opportunity available that meets your Fund's objectives, and to take advantage of these opportunities in an effort to achieve maximum return.

These are just two of the many attributes that we bring to the table when making investment decisions. We believe your Fund is designed appropriately to meet its investment objectives, and can reward the long-term investor. We never forget that we are managing your money.

The following is a comprehensive look at your Fund's recent performance. We believe you will find that the information continues to reflect our aim of meeting the stated objectives of your Fund.

Respectfully,
Keith A. Tucker
President

SHAREHOLDER SUMMARY

UNITED RETIREMENT SHARES, INC.

PORTFOLIO STRATEGY:

Common stocks believed to have the potential for: Long-term appreciation Stability Income	OBJECTIVE: Highest long-term total return as is, in the judgment of management, consistent with the reasonable safety of capital.
----------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------

Maximum 10% foreign securities

STRATEGY: Invest in securities (stocks and bonds) selected to provide a mix of income, growth and asset preservation.

Debt securities

Cash reserves

The use of cash reserves (often invested in money market securities) for defensive purposes is a strategy that may be utilized by Retirement Shares from time to time.

Moving into cash reserve positions at times thought to be near a major stock market peak allows the Fund the opportunity to capture profits and attempts to cushion the impact of market declines. The added flexibility provided by our CASH RESERVES STRATEGY has from time to time been an important element in our past success and, when deemed appropriate, may be used in the management of the portfolio in the future.

FOUNDED: 1972

DIVIDENDS: PAID QUARTERLY (March, June, September, December)

PERFORMANCE SUMMARY

PER SHARE DATA

For the Six Months Ended December 31, 1993

DIVIDENDS PAID	\$0.10
	=====
CAPITAL GAINS DISTRIBUTION	\$0.28
	=====
NET ASSET VALUE ON	
12/31/93	\$7.90 adjusted to:\$8.18 (A)
06/30/93	7.70

CHANGE PER SHARE	\$0.48
	=====

(A) This number includes the capital gains distribution of \$0.28 paid in December 1993 added to the actual net asset value on December 31, 1993.

Past performance is not necessarily an indication of future results.

TOTAL RETURN HISTORY

Period	Average Annual Total Return	
	With Sales Load*	Without Sales Load**
-----	-----	-----
1-year period ended 12-31-93	6.26%	12.74%
5-year period ended 12-31-93	12.88%	14.22%
10-year period ended 12-31-93	11.79%	12.45%

*Performance data quoted represents past performance and is based on deduction of 5.75% sales load on the initial purchase in each of the three periods.

**Performance data quoted in this column represents past performance without taking into account the sales load deducted on an initial purchase.

Investment return and principal value will fluctuate and an investor's shares, when redeemed, may be worth more or less than their original cost.

PORTFOLIO HIGHLIGHTS

On December 31, 1993, United Retirement Shares, Inc. had net assets totaling \$432,631,498 invested in a diversified portfolio of:

- 62.30% Common Stocks
- 20.37% Cash and Cash Equivalents
- 9.91% U.S. Government Securities

3.94% Corporate Bonds
2.74% Convertible Preferred Stocks
0.74% Other Government Securities

As a shareholder of United Retirement Shares, Inc. for every \$100 you had invested on December 31, 1993, your Fund owned:

Basic Industries Stocks	\$24.60
Cash and Cash Equivalents	20.37
Technological Stocks	16.38
Consumer Stocks	15.47
U.S. Government Securities	9.91
Corporate Bonds	3.94
Energy and Energy-Related Stocks	2.77
Convertible Preferred Stocks	2.74
Financial Stocks	1.99
Public Utilities Stock	1.09
Other Government Securities	.74

Not all holdings will be represented in the portfolio at all times.

These STOCK CATEGORIES are provided as a reference only. Not all categories or subcategories will be represented in a portfolio at all times. Refer to the following pages for a more detailed portfolio listing.

BASIC INDUSTRIES

Airlines
Automotive
Building
Chemicals Major
Electrical Equipment
Engineering and Construction
Machinery
Manufacturers
Metals and Mining
Multi-Industry
Paper
Precious Metals
Railroad Equipment
Railroads
Shipping
Steel
Tire and Rubber
Trucking

CONSUMER

Beverages
Consumer Electronics and Appliances

Food and Related
 Hospital Management
 Household Products
 Leisure Time
 Packaging and Containers
 Publishing and Advertising
 Retailing
 Services, Consumer and Business
 Textiles and Apparel
 Tobacco

ENERGY AND ENERGY-RELATED

Canadian Oil
 Coal
 Domestic Oil
 International Oil
 Oil Services
 Propane

FINANCIAL

Banks and Savings and Loans
 Financial
 Insurance

PUBLIC UTILITIES

Electric
 Gas
 Pipelines

TECHNOLOGICAL

Aerospace
 Biotechnology and Medical Services
 Business Machines and Office Equipment
 Chemicals Specialty and Miscellaneous Technology
 Drugs and Hospital Supply
 Electronics
 Telecommunications

THE INVESTMENTS OF
 UNITED RETIREMENT SHARES, INC.
 DECEMBER 31, 1993

	Shares	Value
COMMON STOCKS		
Airlines - 1.73%		
Southwest Airlines Co.	200,000	\$ 7,500,000
Automotive - 2.82%		
Eaton Corporation	100,000	5,050,000
General Motors Corporation	130,000	7,133,750
Total		12,183,750

Banks and Savings and Loans - 1.99%		
Ahmanson (H. F.) & Company	130,000	2,551,250
HSBC Holdings plc (A)	200,000	2,976,200
NationsBank Corporation	63,000	3,087,000
Total		8,614,450
Beverages - 2.32%		
Anheuser-Busch Companies, Inc.	80,000	3,930,000
PepsiCo, Inc.	150,000	6,131,250
Total		10,061,250
Building - 5.85%		
Georgia-Pacific Corporation	80,000	5,500,000
Sherwin-Williams Company (The)	125,000	4,468,750
Temple-Inland Inc.	200,000	10,075,000
York International Corporation	150,000	5,287,500
Total		25,331,250
Business Machines and Office Equipment - 1.08%		
General Motors Corporation, Class E	160,000	4,680,000
Chemicals Major - 4.44%		
du Pont (E. I.) de Nemours and Company .	200,000	9,650,000
PPG Industries, Inc.	60,000	4,567,500
Praxair, Inc.	300,000	4,987,500
Total		19,205,000
Chemicals Specialty and Miscellaneous Technology - 5.37%		
Ferro Corporation	225,000	7,200,000
Geon Company (The)	225,000	5,315,625
Minnesota Mining and Manufacturing Company	50,000	5,437,500
WMX Technologies, Inc.	200,000	5,275,000
Total		23,228,125

See Notes to Schedule of Investments on page 11.

THE INVESTMENTS OF
UNITED RETIREMENT SHARES, INC.
DECEMBER 31, 1993

	Shares	Value
COMMON STOCKS (Continued)		
Consumer Electronics and Appliances - 1.54%		
Whirlpool Corporation	100,000	\$ 6,650,000
Domestic Oil - 1.95%		
Atlantic Richfield Company	80,000	8,420,000
Drugs and Hospital Supply - 6.34%		

Abbott Laboratories	160,000	4,720,000
Baxter International Inc.	200,000	4,875,000
Bristol-Myers Squibb Company	100,000	5,812,500
Roche Holdings AG (A)	1,141	4,815,511
Sandoz Ltd. (A)	2,600	7,225,132
Total		27,448,143
Engineering and Construction - 0.93%		
Foster Wheeler Corporation	120,000	4,020,000
Food and Related - 0.95%		
CPC International Inc.	86,000	4,095,750
Household Products - 4.33%		
Gillette Company (The)	150,000	8,943,750
Procter & Gamble Company (The)	80,000	4,560,000
Rubbermaid Incorporated	150,000	5,212,500
Total		18,716,250
Leisure Time - 1.97%		
Walt Disney Company (The)	200,000	8,525,000
Machinery - 4.38%		
Caterpillar Inc.	100,000	8,900,000
Parker Hannifin Corporation	150,000	5,662,500
Timken Company (The)	131,000	4,404,875
Total		18,967,375
Metals and Mining - 1.89%		
Engelhard Corporation	150,000	3,656,250
Reynolds Metals Company	100,000	4,537,500
Total		8,193,750
Multi-Industry - 1.69%		
ITT Corporation	80,000	7,300,000
Oil Services - 0.82%		
Schlumberger Limited	60,000	3,547,500
Public Utilities - Pipelines - 1.09%		
Consolidated Natural Gas Company	100,000	4,700,000
Publishing and Advertising - 1.52%		
New York Times Co.	250,000	6,562,500

See Notes to Schedule of Investments on page 11.

THE INVESTMENTS OF
UNITED RETIREMENT SHARES, INC.
DECEMBER 31, 1993

	Shares	Value
COMMON STOCKS (Continued)		
Railroads - 0.87%		
Union Pacific Corporation	60,000	\$ 3,757,500
Retailing - 2.84%		
Cifra, S.A. de C.V., C (A)	550,000	1,650,000
Home Depot, Inc. (The)	70,000	2,765,000
Penney (J. C.) Company, Inc.	150,000	7,856,250
Total		12,271,250
Telecommunications - 3.59%		
Allen Group Inc. (The)	200,000	3,625,000
GTE Corporation	179,700	6,289,500
MCI Communications Corporation	200,000	5,637,400
Total		15,551,900
TOTAL COMMON STOCKS - 62.30%		\$269,530,743
(Cost: \$208,633,380)		

PREFERRED STOCKS

Airlines - 1.24%		
Delta Air Lines, Incorporated, Convertible	100,000	5,350,000
Automotive - 1.50%		
Ford Motor Company, Convertible	60,000	6,510,000
TOTAL PREFERRED STOCKS - 2.74%		\$11,860,000
(Cost: \$8,349,137)		

Principal
Amount in
Thousands

CORPORATE DEBT SECURITIES

Electrical Equipment - 0.81%		
General Electric Capital Corporation, 8.3%, 9-20-2009	\$ 3,000	3,510,960
Financial - 2.30%		
American Express Company, 6.25%, 10-15-96	9,188	9,937,476
Telecommunications - 0.83%		
Bell Telephone Company of Pennsylvania, 8.35%, 12-15-2030	3,000	3,588,930
TOTAL CORPORATE DEBT SECURITIES - 3.94%		\$ 17,037,366
(Cost: \$15,137,427)		

THE INVESTMENTS OF
 UNITED RETIREMENT SHARES, INC.
 DECEMBER 31, 1993

	Principal Amount in Thousands	Value
OTHER GOVERNMENT SECURITIES - 0.74%		
Supranational		
International Bank for Reconstruction and Development, 9.25%, 7-15-2017	\$ 2,500	\$ 3,196,125
(Cost: \$2,497,714)		
UNITED STATES GOVERNMENT SECURITIES		
United States Treasury:		
9.5%, 10-15-94	2,000	2,089,680
7.625%, 5-31-96	10,000	10,739,100
9.25%, 8-15-98	5,000	5,839,050
9.375%, 2-15-2006	8,500	10,958,370
10.375%, 11-15-2012	4,000	5,523,120
Miscellaneous United States Government Backed Securities:		
National Archives Facility Trust, 8.5%, 9-1-2019	4,500	5,321,340
Postal Square Limited Partnership, 8.95%, 6-15-2022	1,978	2,406,203
TOTAL UNITED STATES GOVERNMENT SECURITIES - 9.91%	\$ 42,876,863	
(Cost: \$38,417,053)		
SHORT-TERM SECURITIES		
Banks and Savings and Loans - 0.99%		
U. S. Bancorp, Master Note	4,281	4,281,000
Beverages - 1.63%		
PepsiCo, Inc.:		
3.3%, 1-4-94.....	4,600	4,598,735
3.27%, 1-6-94.....	2,450	2,448,887
Total.....		7,047,622
Consumer Electronics and Appliances - 0.44%		
TDK (USA) Corp., 3.33%, 1-18-94	1,900	1,897,012
Drugs and Hospital Supply - 1.25%		
Baxter International Inc., 3.53%, 1-7-94.....	5,400	5,396,823

Financial - 4.10%		
Associates Corporation of North America,		
Master Note	490	490,000
Block Financial Corp.,		
3.28%, 1-27-94.....	8,000	7,981,049

See Notes to Schedule of Investments on page 11.

THE INVESTMENTS OF
UNITED RETIREMENT SHARES, INC.
DECEMBER 31, 1993

	Principal Amount in Thousands	Value
SHORT-TERM SECURITIES (Continued)		
Financial (Continued)		
Transamerica Financial Group,		
3.35%, 1-28-94	\$ 6,000	\$ 5,984,925
USAA Capital Corp.,		
3.32%, 1-12-94.....	3,300	3,296,652
Total		17,752,626
Food and Related - 0.54%		
Sara Lee Corporation,		
Master Note	2,329	2,329,000
Leisure Time - 1.24%		
Grand Metropolitan Investment Corp.,		
3.35%, 1-6-94.....	5,350	5,347,511
Machinery - 2.90%		
Caterpillar Financial Services Corp.,		
3.43%, 1-21-94.....	7,500	7,485,708
Cooper Industries, Inc.,		
3.25%, 2-4-94.....	5,100	5,084,346
Total.....		12,570,054
Paper - 1.95%		
Champion International, Inc.,		
3.3%, 2-2-94.....	8,450	8,425,213
Public Utilities - Gas - 0.71%		
National Fuel Gas Co.,		
3.5%, 1-14-94.....	3,100	3,096,082
Retailing - 0.81%		
K Mart Corporation:		
3.33%, 1-20-94.....	2,250	2,246,046

3.3%, 2-9-94.....	1,250	1,245,531
Total		3,491,577
Telecommunications - 3.48%		
GTE North Inc.,		
3.25%, 1-26-94.....	5,100	5,088,490
NYNEX Corp.,		
3.24%, 1-24-94.....	10,000	9,979,300
Total.....		15,067,790
TOTAL SHORT-TERM SECURITIES - 20.04%		\$ 86,702,310
(Cost: \$86,702,310)		

See Notes to Schedule of Investments on page 11.

THE INVESTMENTS OF
UNITED RETIREMENT SHARES, INC.
DECEMBER 31, 1993

	Value
TOTAL INVESTMENT SECURITIES - 99.67%	\$431,203,407
(Cost: \$359,737,021)	
CASH AND OTHER ASSETS, NET OF LIABILITIES - 0.33%	1,428,091
NET ASSETS - 100.00%	\$432,631,498

Notes to Schedule of Investments

(A) Listed on an exchange outside the United States.

See Note 1 to financial statements for security valuation and other significant accounting policies concerning investments.

See Note 3 to financial statements for cost and unrealized appreciation and depreciation of investments owned for Federal income tax purposes.

UNITED RETIREMENT SHARES, INC.
STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 1993

Assets

Investment securities - at value	
(Notes 1 and 3)	\$431,203,407
Cash	11,752
Receivables:	
Dividends and interest	1,515,984
Fund shares sold	1,449,448

Prepaid insurance premium	12,342

Total assets	434,192,933

Liabilities	
Payable for Fund shares redeemed	1,400,654
Accrued service fee	83,621
Accrued transfer agency and dividend disbursing ..	58,648
Accrued accounting services fee	5,000
Other	13,512

Total liabilities	1,561,435

Total net assets	\$432,631,498
	=====
Net Assets	
\$1.00 par value capital stock, authorized --	
300,000,000; shares outstanding -- 54,778,161	
Capital stock	\$ 54,778,161
Additional paid-in capital.....	302,140,141
Accumulated undistributed income:	
Accumulated undistributed net investment income .	141,669
Accumulated undistributed net realized gain	
on investment transactions	4,105,141
Net unrealized appreciation in value of investments	
at end of period	71,466,386

Net assets applicable to outstanding	
units of capital	\$432,631,498
	=====
Net asset value per share (net assets divided by	
shares outstanding)	\$7.90
	=====

See notes to financial statements.

UNITED RETIREMENT SHARES, INC.
STATEMENT OF OPERATIONS
For the Six Months Ended DECEMBER 31, 1993

Investment Income	
Income:	
Interest	\$ 3,838,685
Dividends	2,615,294

Total income	6,453,979

Expenses (Note 2):	
Investment management fee	1,162,710
Transfer agency and dividend disbursing	352,902

Service fee	101,842
Accounting services fee	30,000
Custodian fees	22,227
Audit fees	12,991
Legal fees	4,022
Other	84,982

Total expenses	1,771,676

Net investment income	4,682,303

Realized and Unrealized Gain on Investments	
Realized net gain on investments	10,681,237
Unrealized appreciation in value of investments during the period	13,853,765

Net gain on investments	24,535,002

Net increase in net assets resulting from operations	\$29,217,305
	=====

See notes to financial statements.

UNITED RETIREMENT SHARES, INC.
STATEMENT OF CHANGES IN NET ASSETS

	For the six months ended December 31, 1993	For the fiscal year ended June 30, 1993
	-----	-----
Increase in Net Assets		
Operations:		
Net investment income	\$ 4,682,303	\$ 9,421,852
Realized net gain on investments	10,681,237	14,211,153
Unrealized appreciation	13,853,765	15,734,082
	-----	-----
Net increase in net assets resulting from operations	29,217,305	39,367,087
	-----	-----
Dividends to shareholders from:*		
Net investment income	(4,896,558)	(9,558,210)
Realized gains on securities transactions	(14,677,591)	(8,932,827)
	-----	-----
	(19,574,149)	(18,491,037)
	-----	-----
Capital share transactions:		
Proceeds from sale of shares		

(5,274,648 and 13,934,605 shares, respectively)	41,786,041	104,779,648
Proceeds from reinvestment of dividends and/or capital gains distribution (2,484,455 and 2,470,349 shares, respectively) ..	19,522,154	18,444,394
Payments for shares redeemed (2,299,214 and 3,063,290 shares, respectively)	(18,252,676)	(23,029,170)
	-----	-----
Net increase in net assets resulting from capital share transactions	43,055,519	100,194,872
	-----	-----
Total increase	52,698,675	121,070,922
Net Assets		
Beginning of period	379,932,823	258,861,901
	-----	-----
End of period, including undistributed net investment income of \$141,669 and \$355,924, respectively	\$432,631,498	\$379,932,823
	=====	=====

*See "Financial Highlights" on page 15.

See notes to financial statements.

UNITED RETIREMENT SHARES, INC.
FINANCIAL HIGHLIGHTS
For a Share of Capital Stock Outstanding
Throughout Each Period:

	For the six months ended 12/31/93	For the fiscal year ended June 30,				
	-----	1993	1992	1991	1990	1989
	-----	-----	-----	-----	-----	-----
Net asset value, beginning of period	\$7.70	\$7.20	\$6.41	\$6.41	\$6.03	\$5.39
	-----	-----	-----	-----	-----	-----
Income from investment operations:						
Net investment income09	.22	.21	.26	.26	.26
Net realized and unrealized gain on investments ..	.49	.73	.91	.05	.51	.67
	-----	-----	-----	-----	-----	-----
Total from investment						

operations	.58	.95	1.12	.31	.77	.93
	-----	-----	-----	-----	-----	-----
Less distributions:						
Dividends from						
net investment						
income	(0.10)	(0.23)	(0.22)	(0.26)	(0.26)	(0.28)
Distribution from						
capital gains	(0.28)	(0.22)	(0.11)	(0.05)	(0.13)	(0.01)
	-----	-----	-----	-----	-----	-----
Total distributions.	(0.38)	(0.45)	(0.33)	(0.31)	(0.39)	(0.29)
	-----	-----	-----	-----	-----	-----
Net asset value,						
end of period	\$7.90	\$7.70	\$7.20	\$6.41	\$6.41	\$6.03
	=====	=====	=====	=====	=====	=====
Total return*	15.60%**	13.45%	17.93%	5.07%	13.06%	17.88%
Net assets, end						
of period (000						
omitted)	\$432,631	\$379,933	\$258,862	\$195,330	\$161,263	\$125,987
Ratio of expenses						
to average net						
assets	0.86%**	0.80%	0.82%	0.88%	0.87%	0.87%
Ratio of net						
investment income						
to average net						
assets	2.28%**	2.98%	3.12%	4.20%	4.21%	4.77%
Portfolio turnover						
rate	33.70%**	30.62%	38.26%	29.05%	53.20%	52.19%

*Total return calculated without taking into account the sales load deducted on an initial purchase.

**Annualized.

See notes to financial statements.

UNITED RETIREMENT SHARES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1993

NOTE 1 -- Significant Accounting Policies

United Retirement Shares, Inc. (the "Fund") is registered under the Investment Company Act of 1940 as a diversified, open-end management investment company. The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The policies are in conformity with generally accepted accounting principles.

- A. Security valuation -- Each stock and convertible bond is valued at the latest sale price thereof on the last business day of the fiscal period as reported by the principal securities exchange on which the issue is traded or, if no sale is reported for a stock, the average of the latest bid and asked prices. Bonds, other than convertible bonds, are valued using a pricing system provided by a major dealer in bonds. Convertible bonds are

valued using this pricing system only on days when there is no sale reported. Stocks which are traded over-the-counter are priced using NASDAQ (National Association of Securities Dealers Automated Quotations) which provides information on bid and asked or closing prices quoted by major dealers in such stocks. Short-term debt securities are valued at amortized cost, which approximates market.

- B. Security transactions and related investment income -- Security transactions are accounted for on the trade date (date the order to buy or sell is executed). Securities gains and losses are calculated on the identified cost basis. Original issue discount (as defined in the Internal Revenue Code), premiums on the purchase of bonds and post-1984 market discount are amortized for both financial and tax reporting purposes over the remaining lives of the bonds. Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis. See Note 3 -- Investment Securities Transactions.
- C. Federal income taxes -- It is the Fund's policy to distribute all of its taxable income and capital gains to its shareholders and otherwise qualify as a regulated investment company under the Internal Revenue Code. In addition, the Fund intends to pay distributions as required to avoid imposition of excise tax. Accordingly, provision has not been made for Federal income taxes. See Note 4 -- Federal Income Tax Matters.
- D. Dividends and distributions -- Dividends and distributions to shareholders are recorded by the Fund on the record date. During the six months ended December 31, 1993, the Fund adopted Statement of Position 93-2 Determination, Disclosure, and Financial Statement Presentation of Income, Capital Gain, and Return of Capital Distributions by Investment Companies. Accordingly, permanent book and tax basis differences relating to future shareholder distributions have been reclassified to additional paid-in capital. As of July 1, 1993, the cumulative effect of such differences totaling \$2,204 was reclassified from accumulated undistributed net realized gain on investment transactions to additional paid-in capital. Net investment income, net realized gains and net assets were not affected by this change.

NOTE 2 -- Investment Management and Payments to Affiliated Persons

The Fund pays a fee for investment management services. The fee is computed daily based on the net asset value at the close of business. The fee consists of two elements: (i) a "Specific" fee computed on net asset value as of the close of business each day at the annual rate of .15% of net assets and (ii) a "Group" fee computed each day on the combined net asset values of all of the funds in the United Group of mutual funds (approximately \$11.1 billion of combined net assets at December 31, 1993) at annual rates of .51% of the first \$750 million of combined net assets, .49% on that amount between \$750 million and \$1.5 billion, .47% between \$1.5 billion and \$2.25 billion, .45% between \$2.25 billion and \$3 billion, .43% between \$3 billion and \$3.75 billion, .40% between \$3.75 billion and \$7.5 billion, .38% between \$7.5 billion and \$12 billion, and .36% of that amount over \$12 billion. The Fund accrues and pays this fee daily.

Pursuant to assignment of the Investment Management Agreement between the Fund and Waddell & Reed, Inc. ("W&R"), Waddell & Reed Investment Management Company ("WRIMCO"), a wholly-owned subsidiary of W&R, serves as the Fund's investment manager.

The Fund has an Accounting Services Agreement with Waddell & Reed Services Company ("WARSCO"), a wholly-owned subsidiary of W&R. Under the agreement, WARSCO acts as the agent in providing accounting services and assistance to the Fund and pricing daily the value of shares of the Fund. For these services, the Fund pays WARSCO a monthly fee of one-twelfth of the annual fee shown in the following table.

Accounting Services Fee	
Average Net Asset Level (all dollars in millions)	Annual Fee Rate for Each Level
From \$ 0 to \$ 10	\$ 0
From \$ 10 to \$ 25	\$ 10,000
From \$ 25 to \$ 50	\$ 20,000
From \$ 50 to \$ 100	\$ 30,000
From \$ 100 to \$ 200	\$ 40,000
From \$ 200 to \$ 350	\$ 50,000
From \$ 350 to \$ 550	\$ 60,000
From \$ 550 to \$ 750	\$ 70,000
From \$ 750 to \$1,000	\$ 85,000
\$1,000 and Over	\$100,000

The Fund also pays WARSCO a monthly per account charge for transfer agency and dividend disbursement services of \$1.0208 for each shareholder account which was in existence at any time during the prior month plus \$0.30 for each account on which a dividend or distribution of cash or shares had a record date in that month. The Fund also reimburses W&R and WARSCO for certain out-of-pocket costs.

As principal underwriter for the Fund's shares, W&R received direct and indirect gross sales commissions (which are not an expense of the Fund) of \$1,778,634, out of which W&R paid sales commissions of \$1,007,264 and all expenses in connection with the sale of Fund shares, except for registration fees and related expenses.

On September 28, 1993, shareholders of the Fund approved the adoption of a 12b-1 Service Plan with a maximum fee of .25%. The Plan went into effect October 1, 1993.

The Fund paid Directors' fees of \$7,357.

W&R is an indirect subsidiary of Torchmark Corporation, a holding company, and United Investors Management Company, a holding company, and a direct subsidiary of Waddell & Reed Financial Services, Inc., a holding company.

NOTE 3 -- Investment Securities Transactions

Purchases of investment securities, other than U.S. Government obligations

and short-term securities, aggregated \$100,191,175 while proceeds from maturities and sales aggregated \$29,464,441. Purchases of short-term securities aggregated \$427,385,798. Proceeds from maturities and sales of short-term and U.S. Government securities aggregated \$449,851,725 and \$23,091,997, respectively. There was no gain or loss on the sale of short-term securities. There was a gain of \$4,061,190 on the sale of U.S. Government securities.

For Federal income tax purposes, cost of investments owned at December 31, 1993 was \$359,737,021, resulting in net unrealized appreciation of \$71,466,386, of which \$74,764,854 related to appreciated securities and \$3,298,468 related to depreciated securities.

NOTE 4 -- Federal Income Tax Matters

For Federal income tax purposes, the Fund realized capital gain net income of \$14,211,154 during its fiscal year ended June 30, 1993, of which a portion was paid to shareholders during the year ended June 30, 1993. Remaining capital gain net income will be distributed to the Fund's shareholders.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Shareholders of
United Retirement Shares, Inc.

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of United Retirement Shares, Inc. (the "Fund") at December 31, 1993, the results of its operations for the six months then ended and the changes in its net assets and the financial highlights for the periods indicated, in conformity with generally accepted accounting principles. These financial statements and the financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with generally accepted auditing standards which 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, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 1993 by correspondence with the custodian and brokers, provide a reasonable basis for the opinion expressed above.

PRICE WATERHOUSE
Kansas City, Missouri
January 31, 1994

To all IRA Planholders:

As required by law, income tax will automatically be withheld from any distribution or withdrawal from an IRA unless you make a written election not to have taxes withheld. The election may be made by submitting forms provided by Waddell & Reed, Inc. which can be obtained from your Waddell & Reed representative or by submitting Internal Revenue Service form W-4P. Once made, an election can be revoked by providing written notice to Waddell & Reed, Inc. If you elect not to have tax withheld you may be required to make payments of estimated tax. Penalties may be imposed by the IRS if withholding and estimated tax payments are not adequate.

DIRECTORS

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Henry L. Bellmon, Red Rock, Oklahoma
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THE UNITED GROUP OF MUTUAL FUNDS

United Cash Management, Inc.
United Government Securities Fund, Inc.
United Bond Fund
United Municipal Bond Fund, Inc.
United Continental Income Fund, Inc.
United Income Fund
United Municipal High Income Fund, Inc.
United High Income Fund, Inc.
United High Income Fund II, Inc.
United Accumulative Fund

United Vanguard Fund, Inc.
United New Concepts Fund, Inc.
United Science and Technology Fund
United International Growth Fund, Inc.
United Gold & Government Fund, Inc.
United Retirement Shares, Inc.

FOR MORE INFORMATION:

Contact your representative, or your
local office as listed on your

Account Statement, or contact:

WADDELL & REED

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