

# 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

#### FLEX FUNDS

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[PHOTO] Newspaper

1999 SEMI-ANNUAL REPORT

June 30, 1999

PERFORMANCE CAPSULE Period and Average Annual Total Returns as of 6/30/99

<TABLE>  
<CAPTION>

	The Muirfield Fund	The Total Return Utilities Fund	The Highlands Growth Fund**	The U.S. Govt. Bond Fund	The Money Market Fund
<S>	<C>	<C>	<C>	<C>	<C>
Year to Date	11.78%	12.69%	14.70%	-1.09%	2.33%
One Year	35.86%	14.78%	22.33%	5.26%	4.99%
Three Years	19.44%	19.31%	23.63%	5.77%	5.23%
Five Years	18.46%	--	20.52%	7.14%	5.31%
Ten Years	14.39%	--	13.60%	7.14%	5.37%
Life of Fund	14.49% <sup>1</sup>	19.61% <sup>2</sup>	11.57% <sup>3</sup>	7.05% <sup>4</sup>	6.01% <sup>5</sup>
				7-day Simple Yield*	4.64%
				7-day Compound Yield*	4.74%

</TABLE>

To obtain a prospectus containing more complete information about The Flex-funds, including other fees and expenses that apply to a continued investment in the Funds, you may call The Flex-funds at (800)325-3539 or write P.O. Box 7177, Dublin OH 43017. Please read the prospectus carefully before investing.

PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS. All performance figures represents total returns and average annual total returns for the periods ended 6/30/99. Investment performance represents total return and assumes reinvestment of all dividend and capital gain distributions. The investment value and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The Investment Adviser waived a portion of its management fees and/or reimbursed expenses in order to reduce the operating expenses of The Money Market, The U.S. Government Bond, and The Total Return Utilities Funds during each of the periods shown above. The Investment Adviser waived a portion of its management fees during 1998 in order to reduce the operating expenses on The Highlands Growth Fund.

An investment in The Money Market Fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund. \* Yield quotations more closely reflect the current earnings of The Money Market Fund than do total return quotations.

\*\* The results achieved by The Highlands Growth Fund since 12/31/96 were achieved with the Sector strategy as implemented by Sector Capital Management LLC, the Fund's subadviser. The average annual rates of return for 3 years, 5 years, 10 years, and over the life of the Fund reflect a combination of the Fund's previous tactical asset allocation discipline and the new Sector discipline.

1 Inception Date 8/10/88. 2 Inception Date 6/21/95. 3 Inception Date 3/20/85.  
4 Inception Date 5/9/85. 5 Inception Date 3/27/85.

[PHOTO] Newspaper

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1999 SEMI-ANNUAL MARKET COMMENTARY

The first half of 1999 saw strong overall returns for The Flex-funds, as many of our portfolios continued to outperform their peer groups and respective benchmarks. Even more noteworthy, three of our no-load mutual funds The Muirfield Fund, The U.S. Government Bond Fund, and The Money Market Fund -- were ranked at or near the top of their categories for total returns as of June 30, 1999.

THE MUIRFIELD FUND ranked #1 out of 274 asset allocation funds for 12-month total return as of June 30th, according to Morningstar. Strict adherence to the Fund's "Defensive Investing" discipline, and well-researched fund selection decisions, contributed greatly to this strong performance for the first six months of 1999.

THE U.S. GOVERNMENT BOND FUND ranked #1 out of 392 general government bond funds for 12-month total return as of June 30th, according to Morningstar. The Fund has been in a fully-defensive position since February, when signs of a negative trend in interest rates began to emerge. This stance helped The U.S. Government Bond Fund survive the decline in bond prices in the second quarter and return 0.94% for the three months ended June 30th, outperforming the -0.94% return of the average general government bond fund according to Morningstar.

THE FLEX-FUNDS MONEY MARKET FUND remained #1 out of 85 general purpose money market funds for cumulative total return since inception (March 1985) as of June 30, according to Lipper Inc. The Fund responded to changes in the fixed income markets by shortening the average maturity of the portfolio from 64 days at the end of March to 39 days at the end of June. The Money Market Fund also ranked among the top 7% of all general purpose money market funds for average annual total return for the 1-year, 5-year, and 10-year periods as of June 30th, according to Lipper.

Our subadvised funds have also outperformed their respective peer group averages for the first six months of 1999. Year to date, the 14.70% total return of THE HIGHLANDS GROWTH FUND outperformed the 11.63% return of the Morningstar average growth fund, and is ahead of the 12.38% total return of the S&P 500. And THE TOTAL RETURN UTILITIES FUND enjoyed one of the best quarters in its history, with an 11.99% total return for the three months ended June 30, 1999. The Fund's 12.69% year-to-date total return strongly outperformed the 7.17% total return of the average utility fund, according to Morningstar.

THE MUIRFIELD FUND

-----  
 # 1 ASSET ALLOCATION FUND  
 Based on average annual total  
 return as of 6/30/99 as follows:  
 1 year: 1 out of 274 funds  
 5 years: 26 out of 103 funds  
 10 years: 6 out of 37 funds

THE U.S. GOVERNMENT BOND FUND

-----  
 # 1 GENERAL GOVERNMENT BOND FUND  
 Based on average annual total  
 return as of 6/30/99 as follows:  
 1 year: 1 out of 392 funds  
 5 years: 25 out of 241 funds  
 10 years: 30 out of 88 funds

THE MONEY MARKET FUND

-----  
 # 1 Out of 85 general purpose money  
 market funds for cumulative total

return since inception (March 1985).  
Rankings based on average annual total  
return as of 6/30/99:

1 year: 21 out of 317 funds  
5 years: 12 out of 213 funds  
10 years: 5 out of 130 funds

Following last year's strong market performance, 1999 arrived with equal amounts of apprehension and anticipation. Investors had their sights set on Dow 10,000 early in the year, but it took most of the first quarter for the Dow Jones Industrial Average to close above that point for the first time. Internet and high-tech stocks remained the darlings of the market during the first quarter of the year. By the second quarter, however, these high-flying market leaders were stalling as positive performance broadened to include value stocks and long-neglected sectors such as energy, cyclical, and small-cap stocks.

Before breaking through the Dow 10,000-point barrier on March 29th, investors had to weather a presidential impeachment hearing, a Brazilian currency crisis, an increase in long bond yields, and skyrocketing stock valuations that gave even the most bullish market analysts sensations of vertigo. Overseas, markets continued to rotate as growth returned to Japan and the other emerging markets which were devastated by last year's market corrections. The introduction of the European single currency, the Euro, on January 1 came with great fanfare. Yet, by mid-year the Euro was at its all-time low against the dollar, and questions about the European Union's competitiveness versus the rest of the world remain unanswered.

Also during the first half of the year, inflationary pressure clouded the outlook for bonds, especially during the second quarter. In April, the Consumer Price Index rose 0.7% - the highest one-month increase in eight years. In the face of an overheating economy, long bond yields steadily increased. Speculation mounted that the Federal Reserve Board would raise the Federal Funds target rate in an effort to head-off inflation. Indeed, on June 30th the Fed tightened monetary policy by raising rates from 4.75% to 5.00%.

Meanwhile, the calendar change heightened investor awareness of the imminent arrival of Year 2000, and all the potential problems the next New Year's Day could bring. Many companies were busily publicizing their Y2K corrective efforts in an attempt to allay shareholder fears. The SEC and Wall Street's major players demonstrated their Y2K conversion plans, successfully testing their systems for Y2K compliance. Even with all these efforts, Y2K remains a question mark for many investors and business executives, since no one really knows what its effect will be until January 1, 2000 arrives. One thing we know for certain about Y2K: it sets the stage for an interesting end to 1999.

We expect that the investment disciplines which have guided The Flex-funds to outperform their peer groups during the first half of 1999 will continue to help investors meet their long-term financial goals through the rest of the year and into the next century.

[GRAPH] Showing the Daily Close of the Dow Jones Industrial Average from January 1 through June 30, 1999.

[GRAPH] Showing the Daily Close of the S&P 500 Composite Stock Index from January 1 through June 30, 1999.

[GRAPH] Showing the Average Daily U.S. Treasury Yield from January 1 through June 30, 1999.

#### THE MUIRFIELD FUND

The Muirfield Fund continued its strong performance from 1998 with a total return of 11.78% for the first six months of 1999. This compares favorably to the 4.11% total return of the average asset allocation fund for the same period, according to Morningstar.

Two factors contributed greatly to the Fund's strong year-to-date performance: 1) Strict adherence to our "Defensive Investing" discipline throughout the changing market conditions in the first quarter, and 2) Well-researched fund selections to invest in those styles or sectors of the market where the potential for growth and good returns was strongest.

We began the year in a fully-invested position as the stock market continued to chalk up impressive gains in January. As the interest rate environment turned negative, and technical conditions in the stock market remained poor, our tactical asset allocation discipline mandated a shift to a fully-defensive position in February.

Conditions improved late in the first quarter and into the second. We gradually increased our exposure to the stock market until we were fully invested by mid-April. More significantly, we repositioned the Fund's holdings in the second quarter to capitalize on the shifting trends away from growth and technology, to value and cyclical stocks. This decision turned out to be very rewarding, as value and cyclical stocks were among the best performing areas of the market.

[PHOTOS] Robert S. Meeder, Jr. and Philip A. Voelker, Portfolio Managers

Looking forward to the second half of 1999, we see many challenges ahead for the investment community, as growth expands in Japan and the emerging markets which were devastated by last year's meltdown. It remains to be seen, however, whether these economies can sustain low inflation simultaneously with robust growth. Also, the next six months will bring more talk about Year 2000 and its effects on the financial markets. The market commonly discounts events expected to occur six months in the future, and if this is true it soon will begin to discount the effects of the Y2K computer bug. While no one is sure what effect these events will have as we approach year-end, we are confident that the Fund's discipline will provide a sound investment strategy to help you meet your long-term financial objectives during these difficult and uncertain times.

1999 SEMIANNUAL HIGHLIGHTS  
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FUND RANKINGS among asset allocation funds for average annual total returns as of 6/30/99 per Morningstar:

One Year:	#1 OUT OF 274
Five Years:	#26 OUT OF 103
Ten Years:	#6 OUT OF 37

PERIOD & AVERAGE ANNUAL TOTAL RETURNS

as of 6/30/99

Year to Date.....	11.78%
One Year.....	35.86%
Five Years.....	18.46%
Ten Years.....	14.39%
Life of Fund.1.....	14.49%

1 Inception Date 8/10/88

PORTFOLIO HOLDINGS as of 6/30/99:

[GRAPH] The following information was presented as a pie chart:

1) Fidelity Value	20.61%
2) Gabelli Value	11.85%
3) Federated S&P 500	9.15%
4) Federated Stock Trust	7.59%
5) Invesco Strat. Financial Svc.	5.77%
6) Invesco Strategic Energy	3.46%
7) S&P 500 Futures	41.57%

Please see page 2 for additional fund performance information.

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THE TOTAL RETURN UTILITIES FUND

The Total Return Utilities Fund surged in the first half of 1999 with a year-to-date total return of 12.69%, outperforming the average utility fund which returned 7.17% over the same period, according to Morningstar. A second

quarter return of 11.99% contributed greatly to the Fund's strong performance during the first six months of 1999.

Conventional market wisdom typically states that utility stocks trade similarly to bonds. For several years now, however, we have maintained that the opportunities available in today's utilities market have unlocked the historical relationship between utility stocks and bonds. Consider that the price of long-term government bonds declined about 7% on average during the three months ended June 30, 1999, yet the Fund and the utilities sector as a whole enjoyed one of its strongest quarters in a long time.

Weakness characterized the utilities market during the first quarter. A declining credit market, continued sell-offs of large-cap electric utility positions, and lack of interest in anything but the hottest stocks of the moment contributed to the sector's weak performance during the first three months of 1999. Merger and acquisitions among various utility companies continued at a rapid pace, and many of the Fund's holdings were engaged in talks or deals with other companies, either as takeover principals or targets.

[PHOTO] Lowell G. Miller, Portfolio Manager

Positive performance broadened in the second quarter, as investors at last demonstrated a willingness to invest in other sectors of the market besides growth and high technology. The utilities sector benefited greatly from this rotational trend, and we experienced double-digit gains from the more traditional utilities in our portfolio, such as the gas distribution, pipeline, electric utility, and telecommunications sectors. Ordinarily, we caution that some consolidation is necessary after a good quarter, but at the moment we see neither overbought technical conditions nor overpriced valuations for our stocks. The outlook remains favorable for the second half of 1999, as we strive for continued positive performance for the Fund.

1999 SEMI-ANNUAL HIGHLIGHTS

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PERIOD & AVERAGE ANNUAL TOTAL RETURNS

as of 6/30/99

Year to Date.....	12.69%
One Year.....	14.78%
Two Years.....	22.27%
Three Years.....	19.31%
Life of Fundl.....	19.61%

1 Inception Date 6/21/95

SECTOR WEIGHTINGS as of 6/30/99:

[GRAPH] The following information was presented as a pie chart:

1) Telecomm. Services	26.91%
2) Natural Gas Distributor	18.56%
3) Oil/Gas Domestic	12.27%
4) Electric Utility	10.93%
5) Electric/Gas Utility	6.68%
6) Pipelines	6.58%
7) Water Utility	4.45%
8) Utility	3.42%
9) Telecomm. Equipment	3.06%
10) Natural Gas (Diversified)	1.84%
11) Cash Equivalents	5.30%

Please see page 2 for additional fund performance information.

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THE HIGHLANDS GROWTH FUND

The Highlands Growth Fund outperformed its peer group during the first six months of 1999, with a year-to-date total return of 14.70%, compared with the 11.63% total return of the average growth fund for the same period, according to Morningstar. So far this year, the Fund is also ahead of the S&P 500, which returned 12.38% year-to-date as of June 30, 1999.

The big story in the stock market during the first half of 1999 was the rotation among market sectors and styles: from technology to energy and cyclical stocks, and from large-cap and growth stocks to small-cap and value stocks. In

the second quarter, investors became more willing to invest in other areas of the market besides the high-flying technology and internet sectors. Overall returns for the first half of 1999 were much more balanced than we have seen in at least a year.

Volatility returned to the equity market in June, as investors grew increasingly concerned with rising interest rates. Growth stocks are typically priced relative to interest rates, and do not perform well when rates rise. Thus, we were not surprised to see growth stocks affected more adversely than traditional "rate sensitive" stocks during the changing interest rate environment of the second quarter. The Federal Reserve remains worried about inflation, despite its neutral stance following the 0.25% increase in the Fed funds target rate on June 30th. It seems likely that the Fed will err on the side of caution, and keep a tighter rein on inflation than it has since last autumn.

[PHOTO] William L. Gurner, Portfolio Manager

We do not know which style or sector will dominate the equity market in the latter half of the year. Thanks to the Fund's "sector neutral, style neutral" investment strategy, the effects of market rotation among styles and sectors should not constrain Fund performance. We believe the broadening trends in the stock market may continue through the third and fourth quarters, and we will continue to seek out the best stocks for investment.

1999 SEMI-ANNUAL HIGHLIGHTS  
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PERIOD & AVERAGE ANNUAL TOTAL RETURNS

as of 6/30/99

Year to Date.....14.70%  
 One Year.....22.33%  
 Five Years.....20.52%  
 Ten Years.....13.60%  
 Life of Fundl.....11.57%

1 Inception Date 3/20/85

SECTOR WEIGHTINGS as of 6/30/99:

[GRAPH] The following information was presented as a pie chart:

Sector	Manager	% Portfolio
-----	-----	-----
1) Technology	RCM	19.57%
2) Finance	Delta Capital	14.47%
3) Utilities	Miller Howard	10.34%
4) Cons. Non-Durables	Barrow Hanley	10.26%
5) Health	Alliance	9.05%
6) Cons. Durables	Barrow Hanley	8.09%
7) Energy	Mitchell Group	6.10%
8) Materials & Services	Ashland	5.09%
9) Capital Goods	Hallmark	3.79%
10) Transportation	Miller Howard	0.81%
11) S&P 500 Futures		12.43%

Please see page 2 for additional fund performance information.

THE U.S. GOVERNMENT BOND FUND

The Flex-funds U.S. Government Bond Fund finished the second quarter of 1999 ranked #1 out of 392 general government bond funds for 12-month total return, according to Morningstar.

The Fund was in a fully defensive position for most of the first half of 1999, after ending last year fully invested in 10-year Treasuries. Market opinion at the time called for interest rates to remain flat as dictated by global economic conditions. However, economic data released in January and February revealed that the economy was growing faster than expected, and investors feared an imminent rise in interest rates. Bond prices consequently fell, triggering a sell signal in our investment discipline. On February 16th, the Fund went to a fully defensive position and remained there through the rest of the first quarter and all of the second.

The Federal Reserve Board decided to raise the Fed funds target rate by 0.25%

on June 30th. However, the bond market had moved ahead of the Fed, pushing rates on the long bond higher in advance of the last Federal Open Market Committee meeting of the quarter. During the first six months of 1999, long bond rates increased by nearly one full percentage point, from 5.12% on December 31, 1998 to 6.10% on June 30, 1999.

[PHOTO] Joseph A. Zarr, Portfolio Manager

We believe another one-quarter to one-half point hike in short-term rates by the Fed is possible in the second half of the year. We will be watching the fixed income markets, maintaining our defensive position until the threat of higher rates expires. Meanwhile, higher equity values have led to increased carefree spending, and subsequently increased economic activity. Falling equity values, however, may affect consumer spending adversely, possibly allowing for interest rates to ease. We will therefore also watch the equity market in the quarters to come, as it may provide key indications for the next major move in interest rates.

1999 SEMI-ANNUAL HIGHLIGHTS  
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FUND RANKINGS among general government bond funds for average annual total returns as of 6/30/99 per Morningstar:

One Year:	#1 OUT OF 392
Five Years:	#25 OUT OF 241
Ten Years:	#30 OUT OF 88

PERIOD & AVERAGE ANNUAL TOTAL RETURNS

as of 6/30/99

Year to Date.....	-1.09%
One Year.....	5.26%
Five Years.....	7.14%
Ten Years.....	7.14%
Life of Fundl.....	7.05%

1 Inception Date 5/9/85

PORTFOLIO HOLDINGS as of 6/30/99:

[GRAPH] The following information was presented as a pie chart:

1) Cash Equivalents	85%
2) U.S. Government Obligations (less than 13 mos. maturity)	15%

Please see page 2 for additional fund performance information.

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THE MONEY MARKET FUND

The Money Market Fund continues to rank #1 out of 85 general purpose money market funds for cumulative total return since inception (March 1985) according to Lipper. The Fund also ranked among the top 7% of all general purpose money markets funds for average annual total return over the 1-year, 5-year, and 10-year periods.

As of June 30, 1999, the Fund's 7-day simple yield was 4.64%, and the 7-day compound yield was 4.74%.

Interest rates were on the rise throughout the first half of 1999, without any action by the Federal Reserve until June 30th. On that day, the Fed raised the Fed funds target rate for overnight interbank loans from 4.75% to 5.00%. It was the Fed's first action since last autumn's triple-play 0.25% rate reduction.

The fact that interest rates across the board increased steadily over the last six months without any intervention by the Federal Reserve demonstrates two points: first, that the Federal Reserve has consistently "hinted" at possible action in order to affect the interest rate market; and second, that the markets have become quite adept at forecasting the need for interest rate adjustments. Both factors make today's economic and interest rate environment less volatile and less subject to surprise. They have also contributed to the continued steady growth of the U.S. economy.

[PHOTO] Philip A. Voelker, Portfolio Manager



Because of this changing interest rate environment, we had decreased the Fund's average maturity by almost half - from 70 days at the start of the year to 39 days on June 30. This decision to shorten the average maturity of the Fund should help us weather any changes in interest rates that may arise in the latter half of 1999, and seek to provide investors with competitive rates of return relative to other money market funds.

1999 SEMI-ANNUAL HIGHLIGHTS  
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FUND RANKINGS among general purpose money market funds for average annual total returns as of 6/30/99 per Lipper:

One Year: #21 OUT OF 317  
Five Years: #12 OUT OF 213  
Ten Years: #5 OUT OF 130

PERIOD & AVERAGE ANNUAL TOTAL RETURNS

as of 6/30/99

Year to Date.....2.33%  
One Year.....4.99%  
Five Years.....5.31%  
Ten Years.....5.37%  
Life of Fundl.....6.01%

1 Inception Date 3/27/85

CURRENT & EFFECTIVE YIELDS as of 6/30/99

7-day Simple Yield.....4.64%  
7-day Compound Yield.....4.74%

PORTFOLIO HOLDINGS as of 6/30/99:

[GRAPH] The following information was presented as a pie chart:

1) Commercial Paper 60.51%  
2) Variable Rate Notes 16.02%  
3) Repurchase Agreements 12.14%  
4) Corporate Notes 11.33%

Please see page 2 for additional fund performance information.

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PORTFOLIO HOLDINGS & FINANCIAL STATEMENTS

Mutual Fund Portfolio  
Portfolio of Investments as of June 30, 1999 (Unaudited)

INDUSTRIES/CLASSIFICATIONS	SHARES OR FACE AMOUNT	VALUE
MUTUAL FUNDS - 58.9%		
Federated S&P 500 Maxcap Fund	526,661	\$ 14,888,714
Federated Stock Trust Fund	296,148	12,355,286
Fidelity Value Fund	589,623	33,531,840
Gabelli Growth Fund	984,930	19,284,926
Invesco Strategic Energy Fund	404,204	5,634,600
Invesco Strategic Stock Trust Fund	306,560	9,389,945
Mutual Shares Fund	358	8,027
TOTAL MUTUAL FUNDS (Cost\$89,107,883)		95,093,338

MONEY MARKET MUTUAL FUNDS - 7.6%		
Charles Schwab Money Market Fund	908,830	908,830
Fidelity Cash Reserve Money Market Fund	11,425,411	11,425,411
Fidelity Core Money Market Fund	5,644	5,644
TOTAL MONEY MARKET MUTUAL FUNDS (Cost \$12,339,885)		12,339,885
U.S. TREASURY BILLS - 2.8%		
* 4.28%, due 07/22/99	4,025,000	4,014,730
* 4.70%, due 10/21/99	500,000	492,749
** 4.30%, due 01/06/00	30,100	29,347
TOTAL U.S. TREASURY BILLS (Cost \$4,536,840)		4,536,826
REPURCHASE AGREEMENT - 30.7%		
Prudential Securities, 5.10%, 07/01/99, (Collateralized by \$30,334,000 FNMA Remic Series Pool #9903CA, 6.00%, 02/25/14, market value - \$27,794,377)	24,500,000	24,500,000
State Street Bank & Trust Co., 4.90%, 07/01/99, (Collateralized by \$25,587,605 FFCB, 5.13%, 04/02/01, market value - \$25,563,962)	25,062,000	25,062,000
TOTAL REPURCHASE AGREEMENT (Cost \$49,562,000)		49,562,000
TOTAL INVESTMENTS - 100.0% (Cost \$155,546,608)		\$161,532,049

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	CONTRACTS	VALUE
FUTURES CONTRACT		
Long, S&P 500 Futures, face amount \$64,898,988 expiring September 1999	197	\$68,048,725
TOTAL FUTURES CONTRACT		\$68,048,725
TRUSTEE DEFERRED COMPENSATION***		
Flex-funds Highlands Growth Fund	837	19,893
Flex-funds Muirfield Fund	1,062	7,964
Flex-funds Total Return Utilities Fund	215	4,543
Flex Partners International Equity Fund	633	9,211
TOTAL TRUSTEE DEFERRED COMPENSATION (Cost \$36,557 )		\$41,611

FNMA Federal National Mortgage Association  
Remic Real Estate Mortgage Investment Conduit  
FFCB Federal Farm Credit Bureau

\* Pledged as collateral on futures contracts.

\*\* Pledged as collateral on Letter of Credit.

\*\*\* Assets of affiliates to the Mutual Fund Portfolio held for the benefit of the Portfolio's Trustees in connection with the Trustee Deferred Compensation Plan.

See accompanying notes to financial statements.

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INDUSTRIES/CLASSIFICATIONS	SHARES OR FACE AMOUNT	VALUE
COMMON STOCKS - 94.8%		
ELECTRIC/GAS UTILITY - 6.7%		
AGL Resources, Inc.	12,100	\$ 223,094
MDU Resources Group, Inc.	5,000	114,063
NIPSCO Industries, Inc.	9,400	242,637
UtiliCorp United, Inc.	14,528	353,200
		932,994
ELECTRIC UTILITY - 10.9%		
Cinergy Corp.	8,200	262,400
LG&E Energy Corp.	13,944	292,824
New Century Energies, Inc.	5,600	217,350
PacifiCorp	12,830	235,751
TECO Energy, Inc.	22,760	517,790
		1,526,115
NATURAL GAS (DISTRIBUTOR) - 25.9%		
Consolidated Natural Gas Co.	9,700	589,275
Eastern Enterprises	6,475	257,381
KeySpan Energy Corp.	18,110	477,651
MCN Corp.	36,430	755,923
Peoples Energy Corp.	7,650	288,309
TransCanada Pipelines Ltd.	8,100	113,400
WICOR, Inc.	19,690	550,089
Williams Cos., Inc.	13,705	583,319
		3,615,347
OIL/GAS (DOMESTIC) - 16.8%		
El Paso Natural Gas Co.	5,670	199,513
Enron Corp.	4,055	331,496
K N Energy, Inc.	27,680	370,220
Kinder Morgan Energy Partners, L.P.	14,824	548,488
Questar Corp.	20,200	386,325
Sonata, Inc.	15,310	507,144
		2,343,186
TELECOMMUNICATION EQUIPMENT - 3.0%		
Loral Space & Communications Ltd. #	14,890	268,020
P-Com, Inc. #	30,000	157,031
		425,051
TELECOMMUNICATION SERVICES - 26.9%		
Alltel Corp.	7,900	564,850
BCE, Inc.	12,040	593,723
CenturyTel, Inc.	11,780	468,255
Frontier Corp.	7,260	425,618
GTE Corp.	7,350	554,925
SBC Communications, Inc.	6,930	401,940
Sprint Corp.	7,590	402,270
Sprint Corp. - PCS Group #	50	2,850
U.S. West Communications Group	5,900	346,625
		3,761,056

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INDUSTRIES/CLASSIFICATIONS	SHARES OR FACE AMOUNT	VALUE
WATER UTILITY - 4.4%		
American Water Works Co., Inc.	10,900	335,175
Azurix Corp. #	14,280	285,600
		620,775
TOTAL COMMON STOCKS (Cost \$10,385,997 )		
		13,224,524
U.S. TREASURY BILLS - 0.0%		
* 5.02%, due 01/06/00	1,000	975
TOTAL U.S. TREASURY BILLS (Cost \$978 )		
		975

REPURCHASE AGREEMENT - 5.2%		
State Street Bank & Trust Co., 4.90%, 07/01/99, (Collateralized by \$746,331 FFCB, 5.13%, 04/02/01, market value - \$745,641)	731,000	731,000
TOTAL REPURCHASE AGREEMENT (Cost \$731,000 )		731,000

TOTAL INVESTMENTS - 100.0%		
(Cost \$11,117,975 )		\$13,956,499

TRUSTEE DEFERRED COMPENSATION**		
Flex-funds Highlands Growth Fund	147	3,496
Flex-funds Muirfield Fund	171	1,281
Flex-funds Total Return Utilities Fund	39	833
Flex Partners International Equity Fund	120	1,741
TOTAL TRUSTEE DEFERRED COMPENSATION (Cost \$6,474 )		\$7,351

FFCB Federal Farm Credit Bureau

# Represents non-income producing securities.

\* Pledged as collateral on Letter of Credit.

\*\* Assets of affiliates to the Utility Stock Portfolio held for the benefit of the Portfolio's Trustees in connection with the Trustees Deferred Compensation Plan.

See accompanying notes to financial statements.

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Growth Stock Portfolio  
Portfolio of Investments as of June 30, 1999 (Unaudited)

INDUSTRIES/CLASSIFICATIONS	SHARES OR FACE AMOUNT	VALUE
COMMON STOCKS - 89.0%		
AEROSPACE/DEFENSE - 1.4%		
Boeing Co.	4,850 \$	212,188
General Dynamics Corp.	1,360	93,245
Lockheed Martin Corp.	1,870	69,658
Northrup Grumman Corp.	200	13,225
Raytheon Co. - Class B	2,750	193,359
Textron, Inc.	740	61,744
United Technologies Corp.	2,960	212,565
		855,984
AIR TRANSPORTATION - 0.3%		
AMR Corp. #	910	62,335
Delta Air Lines, Inc.	770	44,323
Southwest Airlines	1,685	54,763
USAir Group #	470	21,062
		182,483
ALUMINUM - 0.2%		
Aluminum Company of America	2,460	154,673
AUTO & TRUCK - 1.3%		
Delphi Auto Systems	3,494	64,867
Ford Motor Co.	6,500	367,250
General Motors Corp.	5,000	334,688
Navistar Int'l Corp #	334	16,679
Paccar Inc	522	27,862
TRW, Inc.	620	34,061
		845,407
BANKING - 1.2%		
Washington Mutual Savings Bank	2,303	81,757
Wells Fargo Co.	15,900	686,681
		768,438

BEVERAGE--ALCOHOLIC - 0.3%		
Anheuser-Busch Cos., Inc.	2,700	191,025
BEVERAGE--SOFT DRINK - 1.1%		
Coca-Cola Co.	8,500	520,625
Pepsico, Inc.	4,300	165,550
		686,175
BROADCASTING - 0.3%		
Infinity Broadcasting Corp. #	5,200	153,725
BUILDING MATERIALS - 0.1%		
Crane Co.	495	15,593
Masco Corp.	1,860	53,940
		69,533
CAPITAL GOODS - 0.1%		
Ingersoll-Rand	823	53,958
CHEMICAL--DIVERSIFIED - 1.0%		
Air Products & Chemicals, Inc.	1,550	63,550
E.I. du Pont de Nemours & Co.	4,780	326,534
Monsanto Corp.	3,450	135,628
Praxair, Inc.	840	41,423
Rohm & Haas Co.	1,185	50,733
		617,868

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INDUSTRIES/CLASSIFICATIONS	SHARES OR FACE AMOUNT	VALUE
CHEMICAL--SPECIALTY - 0.1%		
Eastman Chemical Co.	500	25,875
MacDermid Inc.	800	37,200
Sigma Aldrich	610	21,007
		84,082
COMMERCIAL SERVICES - 0.1%		
Dun & Bradstreet	1,470	51,726
COMPONENTS - 0.1%		
Sanmina Corp. #	850	64,494
COMPUTERS & PERIPHERALS - 3.6%		
Compaq Computer Corp.	4,180	97,969
Dell Computer Corp. #	7,740	286,380
EMC Corp./Mass #	5,900	327,450
Gateway 2000, Inc. #	390	23,108
IBM	9,700	1,259,788
Micron Technology, Inc. #	470	19,064
Sun Microsystems #	3,540	243,818
		2,257,577
COMPUTER SOFTWARE & SERVICES - 5.1%		
America Online, Inc. #	3,000	330,188
BMC Software, Inc. #	3,110	167,746
Ceridian Co. #	840	27,458
Computer Sciences Corp. #	600	41,513
Electronic Data System Corp.	4,350	246,319
Exodus Communications Inc. #	650	77,959
Microsoft Corp. #	24,500	2,209,594
National Data Corp.	770	32,725
Novell, Inc. #	1,490	39,485
Oracle Corp. #	910	33,784
Unisys Corp.	1,270	49,133
		3,255,904
CONSUMER NON-DURABLE - 1.8%		
Corning Inc.	1,240	86,800
Fortune Brands, Inc.	6,000	250,500
Haggar Corp.	11,500	150,938
Procter & Gamble Co.	7,100	622,138
		1,110,376
COSMETICS - 1.1%		
Playtex Products, Inc. #	23,300	364,063
Revlon #	11,500	344,281
		708,344
DATA PROCESSING - 0.5%		

Automatic Data Processing, Inc.	3,300	144,169
Fiserv, Inc. #	1,380	43,211
First Data Corp.	2,820	138,004
		325,384

INDUSTRIES/CLASSIFICATIONS	SHARES OR FACE AMOUNT	VALUE
DIVERSIFIED - 1.5%		
Allied Signal, Inc.	3,380	214,419
Minnesota Mining & Manufacturing Co.	1,920	167,040
Norfolk Southern Corp.	1,830	55,014
PPG Industries, Inc.	830	49,229
Tyco International	4,970	469,665
		955,367
DRUG - 5.9%		
Abbott Labs	6,890	307,466
Bristol Myers Squibb	11,840	831,020
Eli Lilly & Co.	4,970	356,287
Merck & Co., Inc.	10,560	774,840
Pfizer, Inc.	6,460	700,103
Schering Plough Corp.	9,830	505,016
Warner Lambert Co.	3,450	236,756
		3,711,488
DRUGSTORE - 0.1%		
Longs Drug Stores	2,000	69,125
ELECTRIC--INTEGRATED - 0.6%		
CMS Energy Corp.	2,800	117,075
Edison International	1,800	48,488
FPL Group, Inc.	960	52,620
Korean Electric Power	3,100	63,550
Teco Energy Inc.	2,930	67,024
		348,757
ELECTRIC UTILITY - 0.5%		
AES Corp. #	2,460	142,988
Duke Power Co.	2,940	160,414
		303,402
ELECTRICAL EQUIPMENT - 2.9%		
General Electric Corp.	16,772	1,869,644
ELECTRONIC COMPONENT SEMICONDUCTORS - 2.8%		
Applied Materials, Inc. #	1,880	138,885
Intel	12,800	761,600
KLA -Tencor Corp. #	350	22,706
Motorola, Inc.	4,410	420,328
STMicroelectronic NV #	1,440	99,900
Texas Instruments Inc.	1,810	258,830
Xilinx Inc. #	1,180	67,555
		1,769,804
ELECTRONIC COMPONENTS - 0.3%		
Emerson Electric	2,529	159,485
ELECTRONICS - 0.1%		
Rockwell International Corp.	1,360	82,790
FINANCE - 6.0%		
Banc One Corp.	8,926	533,329
Bank of Boston Corp.	3,300	169,331
Chase Manhattan Corp.	3,900	336,131
Equifax, Inc.	710	25,338
Federal Home Loan Mortgage Corp.	5,700	329,175
Federal National Mortgage Corp.	6,600	450,038
First Union Corp.	4,968	233,186
Fleet Financial Group, Inc.	3,100	136,981

INDUSTRIES/CLASSIFICATIONS	SHARES OR FACE AMOUNT	VALUE
Lehman Brothers Holdings, Inc.	1,500	93,375
Mellon Bank Corp.	7,200	262,350
Merrill Lynch & Co.	800	63,850
Morgan Stanley Dean Witter & Co.	1,800	185,625
Metris Cos., Inc.	4,400	178,750
PNC Bank Corp.	3,100	179,219
Providian Financial Corp.	4,650	429,253
Ryder Systems, Inc.	360	9,720
SLM Holding Corp.	4,000	183,500
		3,799,151
<b>FINANCIAL SERVICES - 5.0%</b>		
American Express Co.	1,700	226,206
Associates First Capital	10,400	444,600
Avery Dennison Corp.	920	55,603
BankAmerica Corp.	10,214	752,006
Capital One Financial Corp.	18,600	1,032,300
Citigroup Inc.	11,995	573,511
H&R Block, Inc.	1,370	68,500
		3,152,726
<b>FOOD - DIVERSIFIED - 0.2%</b>		
General Mills	1,900	152,950
<b>FOREST PRODUCTS - 0.2%</b>		
Georgia Pacific Corp.	860	40,753
Weyerhaeuser Co.	1,120	76,510
Willamette Industries, Inc.	640	30,160
		147,423
<b>GOLD/SILVER MINING - 0.1%</b>		
Barrick Gold Corp.	2,090	40,494
<b>HEALTH - 1.4%</b>		
American Home Products	6,150	351,319
Johnson & Johnson	5,630	538,369
		889,688
<b>HOMEBUILDING - 0.0%</b>		
Centrex Corp.	230	8,639
<b>INSTRUMENTS--CONTROLS - 0.2%</b>		
Honeywell, Inc.	620	71,843
Johnson Controls Inc.	926	64,126
		135,969
<b>INSTRUMENTS--SCIENTIFIC - 0.0%</b>		
PE Biosystems Group	190	21,791
<b>INSURANCE--LIFE - 0.3%</b>		
Conseco Inc.	7,000	213,063
<b>INTERNET SERVICE - 0.1%</b>		
Yahoo, Inc. #	365	62,953
<b>INSURANCE--MULTILINE - 2.2%</b>		
Allstate	6,700	241,200
American International Group	8,435	984,786
PMI Group	2,200	138,325
		1,364,311

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INDUSTRIES/CLASSIFICATIONS	SHARES OR FACE AMOUNT	VALUE
<b>MACHINERY - 0.4%</b>		
Caterpillar, Inc.	1,492	89,893
Deere & Co.	1,197	46,833
Dover Corp.	825	31,763
Lancer Corp. #	3,700	30,988
NACCO Industries	912	67,374
		266,851
<b>MACHINERY--CONSTRUCTION &amp; MINING - 0.2%</b>		
Case Corp.	523	25,235
Halliburton Co.	1,900	86,450

MANUFACTURING - 0.1%		
Mueller Industries, Inc. #	1,150	38,525
Owens Illinois #	780	25,448
		63,973
MARKETING SERVICES - 0.2%		
Omnicom Group, Inc.	1,205	94,969
MATERIALS & SERVICES - 0.6%		
Champion International Corp.	425	20,613
Dana Corp.	970	44,741
Deluxe Corp.	910	35,433
Ecolab, Inc.	1,970	85,572
Illinois Tool Works, Inc.	1,730	141,644
Sherwin-Williams Co.	1,070	29,626
		357,629
MEDICAL PRODUCTS - 1.0%		
Algos Pharmaceutical Corp. #	1,990	43,904
Amgen, Inc. #	2,090	127,229
Becton Dickinson	1,150	34,644
Biogen Inc.#	960	61,740
Centor, Inc. #	480	22,380
GelTex Pharmaceuticals, Inc. #	3,840	69,120
Genzyme Surgical Products #	273	1,207
Guidant Corp.	780	40,024
Human Genome #	1,330	52,535
IDEC Pharmaceuticals Corp. #	980	75,521
MedImmune, Inc. #	1,670	113,143
PE Celera Genomics #	95	1,544
		642,991
MEDICAL HMO - 0.1%		
Wellpoint Health Networks #	460	38,928
MEDICAL SERVICES - 0.5%		
Columbia/HCA Healthcare Corp.	2,420	55,358
Genzyme Corp. #	1,530	74,205
Health Management	4,760	53,550
HBO & Co.	1,220	39,345
IMS Health, Inc.	1,080	34,560
Shared Medical Systems	310	20,363
Tenet Healthcare Corp. #	2,170	40,145
		317,526
MEDICAL SUPPLIES - 0.5%		
Boston Scientific Co. #	1,070	45,676
IDEXX Laboratories, Inc. #	900	20,981
Medtronic, Inc.	2,870	222,246
		288,903

INDUSTRIES/CLASSIFICATIONS	SHARES OR FACE AMOUNT	VALUE
MULTIMEDIA - 0.7%		
CBS Corp. #	9,700	422,556
NATURAL GAS DISTRIBUTOR - 0.2%		
MCN Corp.	4,770	100,468
Williams Companies, Inc.	1,300	55,413
		155,881
NETWORKING PRODUCTS - 1.8%		
Cisco Systems, Inc. #	17,842	1,150,809
OFFICE AUTOMATION & EQUIPMENT - 1.1%		
Hewlett Packard	5,070	502,564
Pitney Bowes, Inc.	1,325	86,291
Xerox Corp.	2,180	129,301
		718,156
OIL/GAS--DOMESTIC - 1.5%		
Ashland Oil	800	32,050
Atlantic Richfield	1,100	92,331
Baker Hughes	1,640	54,735
Burlington Resources	1,000	43,250
Devon Energy	1,200	43,575



Enron Corp.	1,500	121,688
Mobil Corp.	4,800	474,900
Noble Drilling Co. #	1,300	25,269
USX Marathon Group	2,800	91,000
		978,798
OIL/GAS--INTERNATIONAL - 1.9%		
Chevron Corp.	3,800	362,425
Exxon Corp.	11,050	857,066
		1,219,491
OILFIELD SERVICES/EQUIPMENT - 0.5%		
Coastal Corp.	1,900	76,713
Kerr-McGee Corp.	1,000	50,250
Schlumberger LTD	2,700	171,956
		298,919
OIL & NATURAL GAS - 0.2%		
Apache Corp.	1,400	54,775
Amerada Hess	500	29,813
Ocean Energy, Inc. #	10,160	106,045
		190,633
PAPER & FOREST PRODUCTS - 0.2%		
Bemis Co., Inc.	360	14,310
International Paper	1,615	82,163
Mead Corp.	840	35,123
		131,596
PETROLEUM--INTEGRATED - 1.7%		
Occidental Petroleum Corp.	3,100	65,681
Phillips Petroleum	1,600	80,300
Royal Dutch Petroleum	11,400	684,713
Texaco	3,100	193,944
Unocal Corp.	1,000	39,938
		1,064,576

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INDUSTRIES/CLASSIFICATIONS	SHARES OR FACE AMOUNT	VALUE
PIPELINES - 0.1%		
K N Energy Inc.	800	10,700
K N Energy Inc. - PEPS	1,100	28,463
		39,163
PROTECTION--SAFETY EQUIPMENT - 0.3%		
Lo-Jack Corp. #	25,500	213,563
PUBLISHING - 0.9%		
The Reader's Digest Association, Inc.	14,000	565,250
RAILROAD TRANSPORTATION - 0.2%		
Burlington Northern Santa Fe	2,370	72,433
Union Pacific Corp.	1,240	72,385
		144,818
RENTAL--AUTO/EQUIPMENT - 0.8%		
Budget Group Inc. #	14,800	185,000
The Hertz Corp.	5,600	336,350
		521,350
RESTAURANT - 1.4%		
McDonalds Corp.	9,500	392,469
Wendy's International, Inc.	17,100	484,144
		876,613
RETAIL GROCERY - 0.4%		
Albertsons, Inc.	5,000	256,250
RETAIL STORE - 2.7%		
Amazon.Com Inc. #	540	67,568
eBay Inc. #	320	48,320
Kmart #	40,000	655,000
PETSMART, Inc. #	30,000	307,500
Sears, Roebuck & Co.	6,000	270,000
WalMart Stores, Inc.	8,000	382,000
		1,730,388
S&L / THRIFTS - SOUTHERN U.S. - 0.3%		

Greater Atlantic Financial Corp. #	20,000	192,500
SERVICES - 0.1%		
Paychex, Inc.	1,995	63,607
TELECOMMUNICATION EQUIPMENT - 1.8%		
General Instrument Corp. #	620	26,505
Loral Space & Communications Ltd. #	10,110	181,348
Nokia Corp. - ADR - A #	1,890	172,935
Northern Telecom LTD	3,020	261,608
P-Com, Inc. #	8,760	45,853
QUALCOMM, Inc. #	2,720	390,320
Uniphase Corp. #	550	91,300
		1,169,869
TELECOMMUNICATION SERVICES - 10.4%		
AirTouch Communications #	2,730	293,902
Ameritech Corp.	5,440	397,800
Ascend Communications, Inc. #	7,460	786,098
AT&T	17,095	940,225
BCE, Inc.	3,420	167,580

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INDUSTRIES/CLASSIFICATIONS	SHARES OR FACE AMOUNT	VALUE
Bell Atlantic Corp.	8,590	549,223
BellSouth Corp.	12,475	562,934
Century Telephone	1,730	68,768
Frontier Corp.	1,770	103,545
GTE Corp.	5,320	403,323
MCI Worldcom, Inc. #	9,933	856,721
Nextel Communications #	2,500	125,469
SBC Communications	10,515	601,327
Sprint Corp.	4,690	248,570
Sprint Corp. - PCS Group #	2,285	131,673
Star Telecommunications Inc. #	4,230	33,047
Tellabs, Inc. #	2,400	162,150
U.S. West, Inc.	2,665	156,069
		6,588,424
TOBACCO - 2.8%		
Gallaher Group, plc - ADR	11,400	278,588
Imperial Tobacco	5,500	120,313
Philip Morris Cos.	26,100	1,039,076
UST, Inc.	12,000	363,000
		1,800,977
TOYS - 2.8%		
Hasbro Bradley Inc.	10,650	298,200
JAKKS Pacific Co. #	5,400	160,988
Toys R Us Inc. #	64,000	1,324,000
		1,783,188
TRANSPORTATION - 0.1%		
FDX Corp. #	1,476	78,782
TRUCKING/TRANSPORTATION LEASING - 0.1%		
CSX, Corp.	1,097	49,776
WASTE DISPOSAL--NON-HAZARDOUS - 0.3%		
Allied Waste Industries, Inc. #	1,260	24,964
Waste Management, Inc.	3,048	163,259
		188,223
TOTAL COMMON STOCKS (Cost 42,061,786 )		56,464,786
TREASURY OBLIGATIONS - 0.8%		
U.S. Treasury Bills		
** 4.30% 01/06/00	6,000	5,850
* 4.50% 09/09/99	500,000	495,553
TOTAL U.S. TREASURY OBLIGATIONS (Cost 501,490 )		501,403
REPURCHASE AGREEMENTS - 10.2%		

State Street Bank & Trust Co., 4.90%, 07/01/99,  
 (Collateralized by \$6,587,313 FFCB, 5.13%,  
 04/02/01, market value - \$6,581,226) 6,452,000 6,452,000

TOTAL REPURCHASE AGREEMENT  
 (Cost 6,452,000 ) 6,452,000

TOTAL INVESTMENTS - 100.0%  
 (Cost 49,015,276 ) \$63,418,189

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	CONTRACTS	VALUE
FUTURES CONTRACTS		
Long, S&P 500 Futures, face amount \$7,709,513 expiring September 1999	23	7,944,775
TOTAL FUTURES CONTRACTS		\$7,944,775
TRUSTEE DEFERRED COMPENSATION***		
Flex-funds Highlands Growth Fund	293	6,967
Flex-funds Muirfield Fund	366	2,746
Flex-funds Total Return Utilities Fund	88	1,871
Flex Partners International Equity Fund	235	3,417
TOTAL TRUSTEE DEFERRED COMPENSATION (Cost 13,286 )		\$15,001

ADR: American Depositary Receipt

FFCB: Federal Farm Credit Bureau

PEPS: Premium Equity Partnership Security Units

# Represents non-income producing securities.

\* Pledged as collateral on futures contracts.

\*\* Pledged as collateral on Letter of Credit.

\*\*\* Assets of affiliates to the Growth Stock Portfolio held for the benefit of the Portfolio's Trustees in connection with the Trustee Deferred Compensation Plan.

See accompanying notes to financial statements.

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Bond Portfolio  
 Portfolio of Investments as of June 30, 1999 (Unaudited)

INDUSTRIES/CLASSIFICATIONS	SHARES OR FACE AMOUNT	VALUE
U.S. GOVERNMENT OBLIGATIONS - 49.1%		
Federal Farm Credit Bureau 4.88%, 09/01/99	4,000,000	\$ 3,996,642
Federal National Mortgage Association 5.69%, 08/11/00	1,710,000	1,740,174
* U.S. Treasury Bill 4.30%, 01/06/00	4,800	4,680
TOTAL U.S. GOVERNMENT OBLIGATIONS (Cost \$5,745,584 )		5,741,496
REPURCHASE AGREEMENTS - 50.9%		
Prudential Securities, 5.10%, 06/30/99, (Collateralized by \$3,095,000 FNMA Remic Series Pool #9903CA, 6.00%, 02/25/14, market value - \$2,835,880)	2,500,000	2,500,000

State Street Bank and Trust, 4.90%, 07/01/99, (Collateralized by \$3,002,679 FFCB, 5.13%, 04/02/01, market value - \$2,999,905)	2,941,000	2,941,000
State Street Bank and Trust, 4.70%, 07/01/99, (Collateralized by \$802,755 SLMA 1998-1, 5.20%, 01/25/07, market value - \$510,058)	500,000	500,000
TOTAL REPURCHASE AGREEMENT (Cost \$5,941,000 )		5,941,000

TOTAL INVESTMENTS - 100.0%  
(Cost \$11,686,584 ) 11,682,496

TRUSTEE DEFERRED COMPENSATION**		
Flex-funds Highlands Growth Fund	151	3,580
Flex-funds Muirfield Fund	175	1,312
Flex-funds Total Return Utilities Fund	39	831
Flex Partners International Equity Fund	121	1,767
TOTAL TRUSTEE DEFERRED COMPENSATION (Cost \$6,590 )		\$7,490

FNMA: Federal National Mortgage Association

Remic: Real Estate Mortgage Investment Conduit

FFCB: Federal Farm Credit Bureau

SLMA: Student Loan Marketing Association

\* Pledged as collateral on Letter of Credit.

\*\* Assets of affiliates to the Bond Portfolio held for the benefit of the Portfolio's Trustees in connection with the Trustee Deferred Compensation Plan.

See accompanying notes to financial statements.

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<TABLE>  
<CAPTION>

Money Market Portfolio  
Portfolio of Investments as of June 30, 1999 (Unaudited)

	COUPON/YIELD	MATURITY	FACE AMOUNT	AMORTIZED COST
<S>	<C>	<C>	<C>	<C>
COMMERCIAL PAPER - 60.5%				
American Honda Finance Corp.	4.83%	07/07/99	10,000,000	\$ 9,991,951
American Honda Finance Corp.	5.05%	07/30/99	24,353,000	24,253,931
Bankers Trust Corp.	4.97%	11/09/99	25,000,000	24,547,868
Bell Atlantic Financial Services, Inc.	4.98%	07/01/99	4,800,000	4,800,000
Bell Atlantic Financial Services, Inc.	4.98%	07/06/99	10,700,000	10,692,599
Cargill Global Funding plc	4.96%	07/06/99	25,000,000	24,982,778
Credit Suisse First Boston	4.94%	09/14/99	25,000,000	24,742,708
Credit Suisse First Boston	4.83%	10/13/99	40,000,000	39,441,867
Catholic Health Partners	4.93%	07/07/99	37,228,000	37,197,411
Carolina Power & Light Co.	4.82%	08/20/99	20,000,000	19,866,111
Duff & Phelps Utility & Corp.	4.82%	08/02/99	12,500,000	12,446,444
Duff & Phelps Utility & Corp.	4.85%	08/25/99	10,000,000	9,925,903
E.I. DuPont De Nemours & Co.	4.85%	07/21/99	50,000,000	49,865,278
Eaton Corp.***	4.87%	07/19/99	7,475,000	7,456,798
Eaton Corp.***	4.73%	10/08/99	10,000,000	9,869,925
FPL Group Capital, Inc.***	4.83%	08/10/99	27,400,000	27,252,954
FPL Group Capital, Inc.***	4.94%	09/15/99	25,000,000	24,739,278
Ford Motor Credit Co.	5.02%	07/28/99	50,000,000	49,811,750
General Electric Capital Corp.	4.85%	07/02/99	3,658,000	3,657,507
General Electric Capital Corp.	4.84%	09/02/99	32,350,000	32,075,996
General Electric Capital Corp.	4.73%	10/06/99	20,000,000	19,745,106
Ipalco Enterprises	4.90%	07/12/99	20,000,000	19,970,056
LG&E Capital Corp.	4.97%	07/06/99	17,958,000	17,945,604
LG&E Capital Corp.	4.83%	07/22/99	17,173,000	17,124,615
MidAmerican Energy Co.	4.93%	07/16/99	16,300,000	16,266,517
Motorola Credit Corp.	4.82%	07/02/99	4,000,000	3,999,465
Monsanto Co.	4.74%	08/12/99	9,400,000	9,348,018

Monsanto Co.	4.82%	08/18/99	11,000,000	10,929,307
Monsanto Co.	4.82%	09/08/99	14,000,000	13,870,663
National Rural Utilities	4.84%	07/06/99	10,000,000	9,993,277
National Rural Utilities	4.85%	09/17/99	25,000,000	24,737,292
Toronto Dominion Holdings USA, Inc.	4.68%	07/19/99	40,000,000	39,906,400
Toyota Motor Corp.	4.85%	07/07/99	18,400,000	18,385,127
UBS AG	4.74%	07/22/99	25,000,000	24,930,875
Xerox Credit Corp.	4.82%	09/03/99	50,000,000	49,571,555

TOTAL COMMERCIAL PAPER  
(Cost\$744,342,934 )

744,342,934

CORPORATE OBLIGATIONS - 25.0%

Aquarium Holdings KY***	5.13%*	07/01/99	14,000,000	14,000,000
Associates Corp. N.A.	6.37%	08/15/99	2,000,000	2,003,007
Associates Corp. N.A.	6.75%	10/15/99	300,000	301,316
Baltimore Gas & Electric Co.	8.40%	10/05/99	2,000,000	2,018,597
Bath Technologies, Inc.	5.14%	07/01/99	4,500,000	4,500,000
Bear Stearns Co., Inc.	6.22%	07/19/99	5,000,000	5,002,438
Bear Stearns Co., Inc.	7.62%	09/15/99	4,000,000	4,020,408
Bear Stearns Co., Inc.	7.63%	09/15/99	1,765,000	1,774,067
Care Life Project***	5.14%	07/01/99	3,700,000	3,700,000
Caterpillar Finance	6.84%	09/15/99	1,000,000	1,003,508
Caterpillar Finance	6.42%	07/15/99	3,000,000	3,001,642
Caterpillar, Inc.	6.80%	08/24/99	500,000	500,804
Chase Manhattan Bank	5.88%	08/04/99	3,700,000	3,702,655
Chrysler Financial	12.75%	11/01/99	1,000,000	1,024,342
Citigroup	9.75%	08/01/99	500,000	501,938
Citigroup	6.25%	10/25/99	2,000,000	2,007,555
Clark Grave Vault Co.***	5.30%*	07/01/99	2,550,000	2,550,000
Consolidated Edison***	5.19%*	07/01/99	8,250,000	8,250,000
Coughlin Family Properties, Inc.***	5.13%*	07/01/99	3,970,000	3,970,000
D.E.D.E. Realty***	5.13%*	07/01/99	3,760,000	3,760,000
Damascus-Bishop Tire	5.14%*	07/01/99	3,000,000	3,000,000
Danis Construction Co.***	5.13%	07/01/99	6,000,000	6,000,000
Doren, Inc.***	5.14%*	07/01/99	400,000	400,000
Espanola/Nambe***	5.14%*	07/01/99	2,115,000	2,115,000
Fleet Mortgage Group, Inc.	6.50%	09/15/99	4,000,000	4,011,427
Ford Motor Credit Co.	6.38%	09/15/99	500,000	501,298
Florida Power & Light Co.	5.50%	07/01/99	1,000,000	1,000,000

	COUPON/YIELD	MATURITY	FACE AMOUNT	AMORTIZED COST
GTE Southwest Inc.	5.82%*	12/01/99	1,000,000	1,003,041
General American Life Insurance****	5.28%*	09/21/99	20,000,000	20,000,000
Georgia Power Co.	6.12%	09/01/99	1,500,000	1,502,545
General Motors Acceptance Corp.	8.00%	10/01/99	3,000,000	3,021,232
General Motors Acceptance Corp.	8.40%	10/15/99	1,255,000	1,267,051
Goldman Sachs Group LP	6.88%	09/15/99	1,000,000	1,003,365
Hancor, Inc.***	5.14%*	07/01/99	600,000	600,000
International Lease Finance Corp.	7.41%	09/01/99	1,300,000	1,305,206
Isaac Tire, Inc.***	5.13%*	07/01/99	980,000	980,000
J.W. Harris Co., Inc.	5.13%*	07/01/99	2,100,000	2,100,000
Jackson Tube Service, Inc.	5.13%	07/01/99	4,500,000	4,500,000
John Deere	6.43%	08/09/99	10,000,000	10,007,972
Luken-Woodlawn LLC	5.13%	07/01/99	3,740,000	3,740,000
Melvin Stone Co.	5.13%	07/01/99	7,600,000	7,600,000
Miami Valley Steel	5.14%	07/01/99	2,050,000	2,050,000
Morgan Guaranty Trust Co.	5.75%	10/08/99	500,000	500,754
Mubea Inc.***	5.14%	07/01/99	3,750,000	3,750,000
Mubea Inc.***	5.14%*	07/01/99	5,400,000	5,400,000
Norwest Financial, Inc.	7.20%	08/25/99	1,100,000	1,103,420
Norwest Financial, Inc.	6.38%*	10/01/99	500,000	501,541
Norwest Financial, Inc.	6.05%	11/19/99	2,000,000	2,006,156
O.K.I. Supply Co.***	5.13%*	07/01/99	2,090,000	2,090,000
Osco Industries, Inc.***	5.14%*	07/01/99	2,700,000	2,700,000
Pepsico, Inc.	6.25%	09/01/99	5,000,000	5,009,300
Presrite Corp.***	5.14%	07/01/99	1,700,000	1,700,000
Pro Tire, Inc.***	5.13%	07/01/99	1,175,000	1,175,000
R.I. Lampus Co.***	5.14%	07/01/99	2,110,000	2,110,000
RSD Technology***	5.14%	07/01/99	5,770,000	5,770,000
SBC Communication Capital Corp.	6.40%	08/18/99	1,000,000	1,001,910
Salomon, Inc.	7.13%*	08/01/99	225,000	225,343
Seariver Maritime, Inc.	4.92%*	08/01/99	6,400,000	6,400,000
SunAmerica, Inc.	6.20%	10/31/99	45,700,000	45,882,425
Signature Brands	13.00%*	08/15/99	18,500,000	20,139,518
Surgery Financing Co.***	5.14%	07/01/99	3,475,000	3,475,000
Surgery Financing Co.***	5.14%	07/01/99	3,000,000	3,000,000

Transamerica Finance	8.75%	10/01/99	2,000,000	2,018,168
Transamerica Finance	8.08%	11/04/99	1,390,000	1,404,176
Triangle Funding	5.35%	10/15/99	7,500,000	7,500,000
Virginia Electric Power Co.	6.35%	07/02/99	7,070,000	7,070,264
Wisconsin Electric Power Co.	6.20%	08/01/99	1,000,000	1,001,392
White Castle Project***	5.14%	07/01/99	8,750,000	8,750,000
World Trade Finance	5.07%	09/01/99	20,000,000	20,000,000
TOTAL CORPORATE OBLIGATIONS (Cost\$306,984,781 )				306,984,781

U.S. GOVERNMENT AGENCY OBLIGATIONS - 2.4%

Federal Home Loan Bank	5.14%	07/07/99	25,000,000	25,000,000
Student Loan Marketing Assoc.	5.30%	07/07/99	4,350,000	4,350,130
TOTAL U.S. GOVERNMENT AGENCY OBLIGATIONS (Cost \$29,350,130 )				29,350,130

U.S. TREASURY OBLIGATIONS - 0.0%

** U.S. Treasury Bill	4.30%	01/06/00	63,100	61,676
TOTAL U.S. TREASURY OBLIGATIONS (Cost \$61,676 )				61,676

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	COUPON/YIELD	MATURITY	FACE AMOUNT	AMORTIZED COST
REPURCHASE AGREEMENTS - 12.1%				
Banc of America Securities LLC (Collateralized by \$51,379,000 various commercial papers, 5.50% - 5.54%, 07/19/99 - 09/20/99, market value - \$51,000,007)	5.60%	07/01/99	50,000,000	50,000,000
Prudential Securities (Collateralized by \$53,556,000 various U.S. Government securities, 6.00% - 6.50%, 02/25/14 - 04/15/14, market value - \$50,383,685)	5.10%	07/01/99	48,000,000	48,000,000
State Street Bank & Trust Co. (Collateralized by \$32,201,291 FFCB, 5.13%, 04/02/01, market value - \$32,201,291)	4.90%	07/01/99	31,569,000	31,569,000
State Street Bank & Trust Co. (Collateralized by \$31,662,245 SLMA, 5.20%, 01/25/07, market value - \$20,117,704)	4.70%	07/01/99	19,721,000	19,721,000
TOTAL REPURCHASE AGREEMENTS (Cost \$149,290,000 )				149,290,000
TOTAL INVESTMENTS - 100.0% (Cost\$1,230,029,521) (a)				\$1,230,029,521

</TABLE>

<TABLE>

<CAPTION>

TRUSTEE DEFERRED COMPENSATION*****	SHARES	VALUE
<S>	<C>	<C>
Flex-funds Highlands Growth Fund	356	7,470
Flex-funds Muirfield Fund	541	3,465
Flex-funds Total Return Utilities Fund	156	3,015
Flex Partners International Equity Fund	278	3,757
TOTAL TRUSTEE DEFERRED COMPENSATION (Cost \$14,513 )		\$17,707

<FN>

(a) Cost for federal income tax and financial reporting purposes are the same.

FHLMC: Federal Home Loan Mortgage Corporation

Remic: Real Estate Mortgage Investment Conduit

FFCB: Federal Farm Credit Bureau

- \* Variable rate security. Interest rate is as of June 30, 1999. Maturity date reflects the next rate change date.
- \*\* Pledged as collateral on Letter of Credit.
- \*\*\* Security is restricted as to resale to institutional investors, but has been deemed liquid in accordance with guidelines approved by the Board of Trustees.
- \*\*\*\* Illiquid security. The sale or disposition of such security may not be possible in the ordinary course of business within seven days at approximately the value at which the Fund has valued the security.
- \*\*\*\*\* Assets of affiliates to the Money Market Portfolio held for the benefit of the Portfolio's Trustees in connection with the Trustee Deferred Compensation Plan.
- </FN>
- </TABLE>

See accompanying notes to financial statements.

STATEMENTS OF ASSETS AND LIABILITIES  
JUNE 30, 1999 (Unaudited)

<TABLE>

<CAPTION>

	MUIRFIELD FUND	TOTAL RETURN UTILITIES FUND	HIGHLANDS GROWTH FUND	U.S. GOVERNMENT BOND FUND	MONEY MARKET FUND
<b>Assets:</b>					
<S>	<C>	<C>	<C>	<C>	<C>
Investment in corresponding portfolio at value	\$143,627,253	\$10,934,198	\$52,274,576	\$11,730,484	\$183,305,649
Receivable for capital stock issued	2,633,087	301,463	168,957	9,995	---
Unamortized organization costs	---	4,803	---	---	---
Other assets	28,704	14,229	26,204	12,962	84,454
<b>Total Assets</b>	<b>146,289,044</b>	<b>11,254,693</b>	<b>52,469,737</b>	<b>11,753,441</b>	<b>183,390,103</b>
<b>Liabilities:</b>					
Payable for capital stock redeemed	2,447,913	217,988	57,480	14,332	---
Dividends payable	380,313	12,965	340	39,359	681,039
Accrued 12b-1 distribution fees	126,823	---	37,140	6,397	33,994
Accrued transfer agent and administrative fees	15,314	895	5,952	872	17,414
Other accrued liabilities	16,309	17,435	7,126	2,583	2,245
<b>Total Liabilities</b>	<b>2,986,672</b>	<b>249,283</b>	<b>108,038</b>	<b>63,543</b>	<b>734,692</b>
<b>Net Assets</b>	<b>143,302,372</b>	<b>11,005,410</b>	<b>52,361,699</b>	<b>11,689,898</b>	<b>182,655,411</b>
<b>Net Assets:</b>					
Capital	100,892,042	7,695,619	34,851,941	11,692,691	182,655,411
Accumulated undistributed (distributions in excess of) net investment income	76,366	6,821	(25,250)	303,678	---
Accumulated undistributed net realized gain (loss) from investments	35,469,530	1,229,037	4,254,011	(302,385)	---
Net unrealized appreciation (depreciation) of investments	6,864,434	2,073,933	13,280,997	(4,086)	---
<b>Net Assets</b>	<b>\$143,302,372</b>	<b>\$11,005,410</b>	<b>\$52,361,699</b>	<b>\$11,689,898</b>	<b>\$182,655,411</b>
Capital Stock Outstanding (indefinite number of shares authorized, \$0.10 par value)	18,712,372	517,263	2,151,523	543,916	182,655,411

Net Asset Value, Offering and Redemption Price Per Share	\$7.66	\$21.28	\$24.34	\$21.49	\$1.00
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See accompanying notes to financial statements

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STATEMENTS OF OPERATIONS  
FOR THE SIX MONTHS ENDED JUNE 30, 1999 (Unaudited)

	MUIRFIELD FUND	TOTAL RETURN UTILITIES FUND	HIGHLANDS GROWTH FUND	U.S. GOVERNMENT BOND FUND	MONEY MARKET FUND
Net Investment Income from Corresponding Portfolio:					
Interest	\$1,318,522	\$9,040	\$94,614	\$272,565	\$4,987,874
Dividends	89,843	158,340	260,556	---	---
Expenses net of waivers and/or reimbursement	(566,889)	(64,861)	(265,139)	(34,474)	(177,240)
Total Net Investment Income from Corresponding Portfolio	841,476	102,519	90,031	238,091	4,810,634
Fund Expenses:					
Administrative fee	33,121	2,544	11,573	2,842	49,299
Transfer agent fees	66,242	5,087	23,146	3,411	63,712
Audit fees	5,249	1,010	1,800	1,448	1,892
Legal fees	652	272	659	117	686
Printing	10,317	1,556	6,300	1,267	19,862
Amortization of organizational costs	---	2,491	---	---	---
Distribution plan	80,937	12,718	28,321	11,368	78,879
Postage	1,086	1,672	3,600	905	9,785
Registration and filing fees	5,792	6,784	13,320	2	10,899
Insurance	480	72	171	42	579
Other expenses	4,921	329	5,433	122	1,957
Total Expenses	208,797	34,535	94,323	21,524	237,550
Expenses reimbursed by investment advisor	---	(7,804)	---	---	(17,311)
Net Expenses	208,797	26,731	94,323	21,524	220,239
NET INVESTMENT INCOME (LOSS)	632,679	75,788	(4,292)	216,567	4,590,395
NET REALIZED AND UNREALIZED GAIN (LOSS) FROM INVESTMENTS:					
Net realized (losses) from futures contracts	(610,727)	---	69,036	---	---
Net realized gains (losses) from investments	29,337,869	1,587,978	3,134,608	(386,105)	---
Net change in unrealized appreciation (depreciation) of investments	(14,538,065)	(440,688)	3,125,488	51,772	---
NET GAIN FROM INVESTMENTS	14,189,077	1,147,290	6,329,132	(334,333)	---
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$14,821,756	\$1,223,078	\$6,324,840	(\$117,766)	\$4,590,395

See accompanying notes to financial statements

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STATEMENTS OF CHANGES IN NET ASSETS  
FOR THE SIX MONTHS ENDED JUNE 30, 1999 (Unaudited)



<TABLE>  
<CAPTION>

	MUIRFIELD FUND	TOTAL RETURN UTILITIES FUND	HIGHLANDS GROWTH FUND	U.S. GOVERNMENT BOND FUND	MONEY MARKET FUND
INCREASE (DECREASE) IN NET ASSETS:					
<S>	<C>	<C>	<C>	<C>	<C>
OPERATIONS:					
Net investment income (loss)	\$632,679	\$75,788	(\$4,292)	\$216,567	\$4,590,395
Net realized gain (loss) from investments and futures contracts	28,727,142	1,587,978	3,203,644	(386,105)	---
Net change in unrealized appreciation (depreciation) of investments	(14,538,065)	(440,688)	3,125,488	51,772	---
Net increase (decrease) in net assets resulting from operations	14,821,756	1,223,078	6,324,840	(117,766)	4,590,395
DIVIDENDS AND DISTRIBUTIONS TO SHAREHOLDERS FROM:					
Net investment income	(557,576)	(68,952)	---	(216,567)	(4,590,395)
In excess of net investment income	---	---	(21,089)	---	---
Net decrease in net assets resulting from dividends and distributions	(557,576)	(68,952)	(21,089)	(216,567)	(4,590,395)
CAPITAL TRANSACTIONS:					
Issued	19,376,200	1,339,252	58,553,020	1,336,181	331,806,373
Reinvested	181,837	55,000	20,959	166,774	3,849,142
Redeemed	(16,067,138)	(1,997,618)	(56,423,775)	(772,731)	(307,255,401)
Net increase (decrease) in net assets resulting from capital share transactions	3,490,899	(603,366)	2,150,204	730,224	28,400,114
TOTAL INCREASE IN NET ASSETS	17,755,079	550,760	8,453,955	395,891	28,400,114
NET ASSETS - Beginning of period	125,547,293	10,454,650	43,907,744	11,294,007	154,255,297
NET ASSETS - End of period	\$143,302,372	\$11,005,410	\$52,361,699	\$11,689,898	\$182,655,411
SHARE TRANSACTIONS:					
Issued	2,663,003	65,794	2,599,909	61,788	331,806,373
Reinvested	25,012	2,766	935	7,716	3,849,142
Redeemed	(2,220,088)	(101,146)	(2,517,583)	(35,705)	(307,255,401)
Change in shares	467,927	(32,586)	83,261	33,799	28,400,114

</TABLE>

STATEMENTS OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 1998

<TABLE>  
<CAPTION>

	MUIRFIELD FUND	TOTAL RETURN UTILITIES FUND	HIGHLANDS GROWTH FUND	U.S. GOVERNMENT BOND FUND	MONEY MARKET FUND
INCREASE (DECREASE) IN NET ASSETS:					
<S>	<C>	<C>	<C>	<C>	<C>
OPERATIONS:					
Net investment income	\$1,435,207	\$134,250	\$129,094	\$576,536	\$8,867,836
Net realized gain (loss) from investments and futures contracts	7,320,005	(358,953)	4,292,178	1,102,589	---
Net change in unrealized appreciation (depreciation) of investments	21,404,554	838,039	4,287,738	(591,216)	---
Net increase in net assets resulting from operations	30,159,766	613,336	8,709,010	1,087,909	8,867,836
DIVIDENDS AND DISTRIBUTIONS TO SHAREHOLDERS FROM:					
Net investment income	(1,433,944)	(134,265)	(128,963)	(576,536)	(8,867,836)
Net realized gain from investments and futures contracts	(1,907,816)	---	(3,152,482)	(37,210)	---
Net decrease in net assets resulting from dividends and distributions	(3,341,760)	(134,265)	(3,281,445)	(613,746)	(8,867,836)
CAPITAL TRANSACTIONS:					
Issued	21,967,180	5,724,377	64,413,686	2,306,810	478,112,579
Reinvested	3,296,460	131,606	3,254,744	576,374	8,641,621

Redeemed	(57,316,946)	(4,285,392)	(62,940,124)	(9,036,259)	(501,833,777)
Net increase (decrease) in net assets resulting from capital share transactions	(32,053,306)	1,570,591	4,728,306	(6,153,075)	(15,079,577)
TOTAL INCREASE (DECREASE) IN NET ASSETS	(5,235,300)	2,049,662	10,155,871	(5,678,912)	(15,079,577)
NET ASSETS - Beginning of period	130,782,593	8,404,988	33,751,873	16,972,919	169,334,874
NET ASSETS - End of period	\$125,547,293	\$10,454,650	\$43,907,744	\$11,294,007	\$154,255,297
SHARE TRANSACTIONS:					
Issued	3,737,873	309,337	3,158,058	106,049	478,112,579
Reinvested	521,019	7,373	153,489	26,662	8,641,621
Redeemed	(9,925,681)	(241,126)	(3,062,778)	(423,756)	(501,833,777)
Change in shares	(5,666,789)	75,584	248,769	(291,045)	(15,079,577)

</TABLE>

See accompanying notes to financial statements

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<TABLE>  
<CAPTION>  
FINANCIAL HIGHLIGHTS  
THE MUIRFIELD FUND

	Six Months Ended 6/30/99 (Unaudited)	Years Ended December 31,				
		1998	1997	1996	1995	1994
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net Asset Value, Beginning of Period	\$6.88	\$5.47	\$5.47	\$5.73	\$5.34	\$5.36
Income from Investment Operations						
Net Investment Income	0.03	0.08	0.11	0.10	0.06	0.14
Net Gains or Losses from Securities (both realized and unrealized)	0.78	1.51	0.91	0.25	1.31	-
Total From Investment Operations	0.81	1.59	1.02	0.35	1.37	0.14
Less Distributions						
Dividends (from net investment income)	(0.03)	(0.08)	(0.11)	(0.10)	(0.06)	(0.14)
Distributions (from capital gains)	--	(0.10)	(0.91)	(0.51)	(0.92)	(0.02)
Total Distributions	(0.03)	(0.18)	(1.02)	(0.61)	(0.98)	(0.16)
Net Asset Value, End of Period	\$7.66	\$6.88	\$5.47	\$5.47	\$5.73	\$5.34
Total Return	11.78%(1)	29.33%	18.59%	5.99%	25.82%	2.70%
Ratios/Supplemental Data						
Net Assets, End of Period (\$000)	\$143,302	\$125,547	\$130,783	\$121,335	\$111,751	\$83,119
Ratio of Expenses to Average Net Assets	1.17%(2)	1.24%	1.29%	1.19%	1.26%	1.22%
Ratio of Net Investment Income to Average Net Assets	0.95%(2)	1.23%	1.69%	1.54%	0.97%	2.55%
Portfolio Turnover Rate(3)	150.75%	128.31%	395.42%	297.41%	186.13%	168.17%

<FN>  
(1) Not Annualized  
(2) Annualized  
(3) Represents turnover rate of corresponding portfolio  
</FN>  
</TABLE>

See accompanying notes to financial statements

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<TABLE>  
<CAPTION>  
FINANCIAL HIGHLIGHTS  
THE TOTAL RETURN UTILITIES FUND

Six Months Ended 6/30/99 (Unaudited)	Years Ended December 31,			Period June 21, 1995* to Dec. 31, 1995
	1998	1997	1996	

<S>	<C>	<C>	<C>	<C>	<C>
Net Asset Value, Beginning of Period	\$19.01	\$17.72	\$14.98	\$14.14	\$12.50
Income from Investment Operations					
Net Investment Income	0.15	0.25	0.25	0.37	0.21
Net Gains or Losses from Securities (both realized and unrealized)	2.26	1.29	3.99	1.48	1.64
Total From Investment Operations	2.41	1.54	4.24	1.85	1.85
Less Distributions					
Dividends (from net investment income)	(0.14)	(0.25)	(0.25)	(0.37)	(0.21)
Distributions (from capital gains)	--	--	(1.25)	(0.64)	--
Total Distributions	(0.14)	(0.25)	(1.50)	(1.01)	(0.21)
Net Asset Value, End of Period	\$21.28	\$19.01	\$17.72	\$14.98	\$14.14
Total Return	12.69% (1)	8.77%	28.68%	13.33%	15.00% (1)
Ratios/Supplemental Data					
Net Assets, End of Period (\$000)	\$11,005	\$10,455	\$8,405	\$5,074	\$2,881
Ratio of Expenses to Average Net Assets	1.80% (2)	1.80%	1.80%	1.25%	1.25% (2)
Ratio of Net Investment Income to Average Net Assets	1.49% (2)	1.35%	1.57%	2.55%	3.18% (2)
Ratio of Expenses to Average Net Assets, before waiver of fees(3)	1.95% (2)	2.11%	2.51%	2.95%	4.35% (2)
Ratio of Net Investment Income to Average Net Assets, before waiver of fees(3)	1.34% (2)	1.04%	0.86%	0.85%	0.08% (2)
Portfolio Turnover Rate(4)	22.61%	51.36%	41.22%	50.79%	5.06%

<FN>

(1) Not Annualized

(2) Annualized

(3) Annualized ration includes directed brokerage payments in corresponding portfolio

(4) Represents turnover rate of corresponding portfolio

\* Date of commencement of operations

</FN>

</TABLE>

See accompanying notes to financial statements

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FINANCIAL HIGHLIGHTS

THE HIGHLANDS GROWTH FUND

<S>	<C>	Years Ended December 31,				
		Six Months Ended 6/30/99 (Unaudited)	1998	1997	1996	1995
Net Asset Value, Beginning of Period	\$21.23	\$18.55	\$16.41	\$15.34	\$13.08	\$13.45
Income from Investment Operations						
Net Investment Income	0.01	0.06	0.06	0.31	0.50	0.27
Net Gains or Losses from Securities (both realized and unrealized)	3.11	4.32	4.73	1.07	2.68	(0.37)
Total From Investment Operations	3.12	4.38	4.79	1.38	3.18	(0.10)
Less Distributions						
Dividends (from net investment income)	(0.01)	(0.06)	(0.06)	(0.31)	(0.50)	(0.27)
Distributions (from capital gains)	--	(1.64)	(2.59)	--	(0.42)	--
Total Distributions	(0.01)	(1.70)	(2.65)	(0.31)	(0.92)	(0.27)
Net Asset Value, End of Period	\$24.34	\$21.23	\$18.55	\$16.41	\$15.34	\$13.08
Total Return	14.70% (1)	23.67%	29.28%	9.08%	24.61%	-0.69%
Ratios/Supplemental Data						
Net Assets, End of Period (\$000)	\$52,362	\$43,908	\$33,752	\$24,204	\$24,631	\$22,176
Ratio of Expenses to Average Net Assets	1.54% (2)	1.69%	1.87%	1.65%	1.64%	1.63%
Ratio of Net Investment Income to Average Net Assets	(0.02%) (2)	0.31%	0.30%	1.92%	3.38%	1.95%
Ratio of Expenses to Average Net Assets						

before waiver of fees(3)	1.56%(2)	1.70%	1.87%	1.65%	1.64%	1.63%
Ratio of Net Investment Income to Average Net Assets before waiver of fees(3)	(0.04%)(2)	0.30%	0.30%	1.92%	3.38%	1.95%
Portfolio Turnover Rate(4)	28.83%	79.98%	129.79%	81.66%	337.57%	102.76%

<FN>

(1) Not Annualized

(2) Annualized

(3) Ratio includes fees waived in corresponding portfolio

(4) Represents turnover rate of corresponding portfolio

</FN>

</TABLE>

See accompanying notes to financial statements

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<CAPTION>

FINANCIAL HIGHLIGHTS

THE U.S. GOVERNMENT BOND FUND

	Six Months Ended 6/30/99 (Unaudited)	Years Ended December 31,				
		1998	1997	1996	1995	1994
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net Asset Value, Beginning of Period	\$22.14	\$21.19	\$20.64	\$21.58	\$19.25	\$20.18
Income from Investment Operations						
Net Investment Income	0.41	0.97	0.99	0.96	1.11	0.72
Net Gains or Losses from Securities (both realized and unrealized)	(0.65)	1.02	0.55	(0.94)	2.33	(0.93)
Total From Investment Operations	(0.24)	1.99	1.54	0.02	3.44	(0.21)
Less Distributions and Dividends						
From net investment income	(0.41)	(0.97)	(0.99)	(0.96)	(1.11)	(0.72)
From net realized gains	--	(0.07)	--	--	--	--
Total Distributions	(0.41)	(1.04)	(0.99)	(0.96)	(1.11)	(0.72)
Net Asset Value, End of Period	\$21.49	\$22.14	\$21.19	\$20.64	\$21.58	\$19.25
Total Return	(1.09%)(1)	9.62%	7.70%	0.15%	18.32%	-0.99%
Ratios/Supplemental Data						
Net Assets, End of Period (\$000)	\$11,690	\$11,294	\$16,973	\$17,783	\$16,048	\$12,983
Ratio of Expenses to Average Net Assets	0.99%(2)	1.00%	1.00%	1.00%	1.00%	1.00%
Ratio of Net Investment Income to Average Net Assets	3.81%(2)	4.52%	4.85%	4.61%	5.41%	3.71%
Ratio of Expenses to Average Net Assets, before waiver of fees(3)	1.06%(2)	1.16%	1.14%	1.06%	1.14%	1.14%
Ratio of Net Investment Income to Average Net Assets, before waiver of fees(3)	3.74%(2)	4.36%	4.71%	4.55%	5.27%	3.57%
Portfolio Turnover Rate(4)	158.48%	225.11%	375.64%	778.59%	232.34%	707.57%

<FN>

(1) Not Annualized

(2) Annualized

(3) Ratio includes fees waived in corresponding portfolio

(4) Represents turnover rate of corresponding portfolio

</FN>

</TABLE>

See accompanying notes to financial statements

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FINANCIAL HIGHLIGHTS

MONEY MARKET FUND

Years Ended December 31,

	1998	1997	1996	1995	1994	
<S>	<C>	<C>	<C>	<C>	<C>	
Net Asset Value, Beginning of Period	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Income from Investment Operations						
Net Investment Income	0.023	0.052	0.053	0.05	0.06	0.04
Total From Investment Operations	0.023	0.052	0.053	0.05	0.06	0.04
Less Distributions						
Dividends (from net investment income)	(0.023)	(0.052)	(0.053)	(0.05)	(0.06)	(0.04)
Total Distributions	(0.023)	(0.052)	(0.053)	(0.05)	(0.06)	(0.04)
Net Asset Value, End of Period	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Total Return	2.33%(1)	5.31%	5.38%	5.27%	5.85%	4.10%
Ratios/Supplemental Data						
Net Assets, End of Period (\$000)	\$182,655	\$154,255	\$169,335	\$119,947	\$141,087	\$164,838
Ratio of Expenses to Average Net Assets	0.40%(2)	0.40%	0.40%	0.40%	0.40%	0.37%
Ratio of Net Investment Income to Average Net Assets	4.66%(2)	5.19%	5.26%	5.15%	5.70%	4.02%
Ratio of Expenses to Average Net Assets, before waiver of fees(3)	0.53%(2)	0.59%	0.59%	0.58%	0.64%	0.57%
Ratio of Net Investment Income to Average Net Assets, before waiver of fees(3)	4.53%(2)	5.00%	5.07%	4.97%	5.46%	3.82%

<FN>

(1) Not Annualized

(2) Annualized

(3) Ratio includes fees waived in corresponding portfolio

</FN>

</TABLE>

See accompanying notes to financial statements

The Flex-funds 1999 Semi-Annual Report

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THE FLEX-FUNDS SEMI-ANNUAL REPORT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1999 (UNAUDITED)

1. ORGANIZATION

The Flex-funds Trust (the "Trust") was organized in 1982 and is registered under the Investment Company Act of 1940, as amended (the "Act"), as a diversified, open-end management investment company. The Trust offers five separate series, and it is presently comprised of five separate funds as follows: The Muirfield Fund, The Total Return Utilities Fund, The Highlands Growth Fund (formerly The Growth Fund), The U.S. Government Bond Fund and The Money Market Fund (each a "Fund" and collectively the "Funds"). Each Fund invests all of its investable assets in a corresponding open-end management investment company (each a "Portfolio" and collectively the "Portfolios") having the same investment objective as the Fund. Each Fund, each Portfolio into which the Fund invests and the percentage of each Portfolio owned by the respective Fund is as follows:

FUND	PORTFOLIO	PERCENTAGE OF PORTFOLIO OWNED BY FUND AS OF JUNE 30, 1999
The Muirfield Fund	Mutual Fund Portfolio	88%
The Total Return Utilities Fund	Utilities Stock Portfolio	78%
The Highlands Growth Fund	Growth Stock Portfolio	82%
The U.S. Government Bond Fund	Bond Portfolio	100%
The Money Market Fund	Money Market Portfolio	15%

The financial statements of the Portfolios, including the Portfolios of Investments, are included elsewhere in this report and should be read in conjunction with the financial statements of each respective Fund.

2. SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## VALUATION OF INVESTMENTS

Each Fund values its investment in the corresponding Portfolio at fair value. Valuation of securities held by each Portfolio is further described at Note 2 of the Portfolios' Notes to Financial Statements.

## INCOME TAXES

It is each Fund's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its investment company taxable income and net capital gains to its shareholders. Therefore, no Federal income tax provision is required.

## DISTRIBUTIONS TO SHAREHOLDERS

Dividends to shareholders are recorded on the ex-dividend date. The Muirfield Fund and The Highlands Growth Fund declare dividends from net investment income on a quarterly basis. The Total Return Utilities Fund declares dividends from net investment income on a monthly basis. The U.S. Government Bond Fund and The Money Market Fund declare dividends from net investment income on a daily basis and pay such dividends on a monthly basis. Each Fund distributes net capital gains, if any, on an annual basis.

Distributions from net investment income and from net capital gains are determined in accordance with income tax regulations which may differ from generally accepted accounting principles. These differences are primarily due to deferrals of certain losses, expiring capital loss carryforwards, and differing treatment of unrealized gains and losses of futures contracts held by the Fund's corresponding Portfolio. Permanent book and tax basis differences have been reclassified among the components of net assets.

## ORGANIZATIONAL COSTS

The costs related to the organization of each of the five Funds have been deferred and are being amortized by each Fund on a straight-line basis over a five-year period. Such costs for The Muirfield Fund, The Highlands Growth Fund, The U.S. Government Bond Fund, and The Money Market Fund have been fully amortized.

## INVESTMENT INCOME & EXPENSES

The Funds record daily their proportionate share of the Portfolios' income, expenses, and realized and unrealized gains and losses. In addition, the Funds accrue their own expenses. Expenses incurred by the Trust that do not specifically relate to an individual Fund of the Trust are allocated to the Funds based on each Fund's relative net assets or other appropriate basis.

### 3. AGREEMENTS AND TRANSACTIONS WITH AFFILIATES

R. Meeder & Associates (RMA), a wholly-owned subsidiary of Muirfield Investors, Inc. (MII), provides each Portfolio with investment management, research, statistical and advisory services. Under separate Investment Subadvisory Agreements with RMA, Miller/Howard Investments, Inc. and Sector Capital Management, Inc. serve as subadvisor of the Utilities Stock Portfolio and the Growth Stock Portfolio, respectively. Sub-subadvisers, selected by Sector Capital Management, Inc., subject to the review and approval of the Trustees of the Growth Stock Portfolio, are responsible for the selection of individual portfolio securities for the assets of the Portfolio assigned to them by Sector Capital Management, Inc.

Mutual Funds Service Co. ("MFSCO"), a wholly-owned subsidiary of MII, serves as stock transfer, dividend disbursing and shareholder services agent for each Fund. In compensation for such services, each Fund pays MFSCO an annual fee calculated as follows. For The Muirfield Fund, The Total Return Utilities Fund and The Highlands Growth Fund, such fee is equal to the greater of \$15 per active shareholder account or 0.10% of the Fund's average daily net assets. For The U.S. Government Bond Fund, such fee is equal to the greater of \$15 per active shareholder account or 0.06% of the Fund's average daily net assets. For The Money Market Fund, such fee is equal to the greater of \$20 per active shareholder account or 0.06% of the Fund's average daily net assets. MFSCO is entitled to receive an annual minimum fee of \$4,000 for each Fund.

MFSCO provides the Trust with certain administrative services. In compensation for such services, each Fund pays MFSCO an annual fee equal to 0.05% of each Fund's average daily net assets.

RMA has voluntarily agreed to reimburse The Total Return Utilities Fund and The

Money Market Fund for the amount by which annual expenses of such Funds including expenses allocated from the respective Portfolio (excluding interest, taxes, brokerage fees, and extraordinary expenses) exceed 1.80% and 0.41% of average daily net assets of The Total Return Utilities Fund and The Money Market Fund, respectively. Prior to April 28, 1999, The Money Market Fund's annual expense limitation had been 0.40% of average daily net assets. Such reimbursement is limited to the total of fees charged the Fund by RMA and MFSCo.

Pursuant to Rule 12b-1 of the Act, each Fund has adopted a Distribution Plan (the "Plan"). Under the provisions of each Plan, the Fund may incur certain expenses associated with the distribution of fund shares in amounts not to exceed an annual limitation. Such limitation, on an annual basis, is 0.20% of the average daily net assets of each Fund, 0.25% of the average daily net assets of The Total Return Utilities Fund.

Certain officers of the Funds and trustees of the Trust and the Portfolios are also officers or directors of MII, RMA and MFSCo.

STATEMENTS OF ASSETS AND LIABILITIES  
JUNE 30, 1999 (Unaudited)

<TABLE>

<CAPTION>

	MUTUAL FUND PORTFOLIO	UTILITIES STOCK PORTFOLIO	GROWTH STOCK PORTFOLIO	BOND PORTFOLIO	MONEY MARKET PORTFOLIO
<S>	<C>	<C>	<C>	<C>	<C>
Assets:					
Investments, at market value*	\$111,983,971	\$13,225,500	\$57,081,814	\$5,741,501	\$1,080,739,521
Repurchase agreements, at cost*	49,562,000	731,000	6,452,000	5,941,000	149,290,000
Trustee deferred compensation investments, at market value	41,611	7,351	15,001	7,489	20,901
Cash	718	652	594	830	559
Receivable for securities sold	---	---	499,864	---	---
Receivable for net variation margin on futures	1,231,250	---	---	---	---
Receivable from corresponding Fund	---	---	---	---	1,853,723
Interest receivable	58,026	99	878	55,572	5,019,977
Dividends receivable	---	20,860	48,680	---	---
Prepaid/Other assets	3,938	4,284	1,389	1,214	116,098
Total Assets	162,881,514	13,989,746	64,100,220	11,747,606	\$1,237,040,779
Liabilities:					
Payable for securities purchased	---	---	218,232	---	1,600,000
Payable for Trustee Deferred Compensation Plan	41,611	7,351	15,001	7,489	20,901
Payable to investment adviser	99,408	11,307	47,546	3,114	169,391
Accrued audit fees	4,329	4,894	4,149	4,533	6,264
Accrued legal fees	253	252	2,506	5	214
Accrued custodian fees	1,286	---	5,542	147	11,246
Accrued trustee fees	2,377	---	4,005	---	---
Accrued fund accounting fees	4,396	1,572	3,451	1,403	13,922
Other accrued liabilities	1,590	97	724	271	7,551
Total Liabilities	155,250	25,473	301,156	16,962	1,829,489
Net Assets	\$162,726,264	\$13,964,273	\$63,799,064	\$11,730,644	\$1,235,211,290
Net Assets:					
Capital	155,495,651	11,125,748	49,280,526	11,734,727	1,235,211,290
Net unrealized appreciation (depreciation) of investments	7,230,613	2,838,525	14,518,538	(4,083)	---
Net Assets	\$162,726,264	\$13,964,273	\$63,799,064	\$11,730,644	\$1,235,211,290
*Securities at cost	\$155,546,608	\$11,117,975	\$49,015,276	\$11,686,584	\$1,230,029,521

</TABLE>

See accompanying notes to financial statements

STATEMENTS OF OPERATIONS  
FOR THE SIX MONTHS ENDED JUNE 30, 1999 (Unaudited)

<TABLE>  
<CAPTION>

	MUTUAL FUND PORTFOLIO	UTILITIES STOCK PORTFOLIO	GROWTH STOCK PORTFOLIO	BOND PORTFOLIO	MONEY MARKET PORTFOLIO
<S>	<C>	<C>	<C>	<C>	<C>
NET INVESTMENT INCOME					
Interest	\$1,476,611	\$11,235	\$115,007	\$272,568	\$29,626,485
Dividends	101,103	204,319	316,363	---	---
Total Investment Income	1,577,714	215,554	431,370	272,568	29,626,485
Expenses:					
Investment advisory fees	581,491	64,909	271,934	22,529	1,540,234
Audit fees	4,344	4,909	4,163	3,716	6,286
Custodian fees	4,525	734	13,357	1,067	41,994
Trustees fees and expenses	18,705	3,707	13,575	2,207	14,620
Legal fees	102	104	2,715	652	222
Accounting fees	25,766	8,970	19,979	8,112	76,982
Insurance	102	70	54	163	34,197
Other expenses	102	36	1,720	260	2,690
Total Expenses	635,137	83,439	327,497	38,706	1,717,225
Investment advisory fees waived	---	---	---	(4,227)	(660,724)
Directed brokerage payments received	---	---	(6,058)	---	---
Total Net Expenses	635,137	83,439	321,439	34,479	1,056,501
NET INVESTMENT INCOME	942,577	132,115	109,931	238,089	28,569,984
REALIZED AND UNREALIZED GAIN (LOSS) FROM INVESTMENTS:					
Net realized gain (loss) from futures contracts	(912,237)	---	77,193	---	---
Net realized gain (loss) from investments	32,820,371	2,036,285	3,794,993	(386,111)	---
Net change in unrealized appreciation (depreciation) of investments	(15,984,285)	(554,859)	3,855,090	51,778	---
NET GAIN ON INVESTMENTS	15,923,849	1,481,426	7,727,276	(334,333)	---
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$16,866,426	\$1,613,541	\$7,837,207	(\$96,244)	\$28,569,984

</TABLE>

See accompanying notes to financial statements

STATEMENTS OF CHANGES IN NET ASSETS  
FOR THE SIX MONTHS ENDED JUNE 30, 1999 (Unaudited)

<TABLE>  
<CAPTION>

	MUTUAL FUND PORTFOLIO	UTILITIES STOCK PORTFOLIO	GROWTH STOCK PORTFOLIO	BOND PORTFOLIO	MONEY MARKET PORTFOLIO
INCREASE (DECREASE) IN NET ASSETS:					
<S>	<C>	<C>	<C>	<C>	<C>
OPERATIONS:					
Net investment income	\$942,577	\$132,115	\$109,931	\$238,089	\$28,569,984
Net realized gain (loss) from investments and futures contracts	31,908,134	2,036,285	3,872,186	(386,111)	---
Net change in unrealized appreciation (depreciation) of investments	(15,984,285)	(554,859)	3,855,090	51,778	---
Net increase (decrease) in net assets resulting from operations	16,866,426	1,613,541	7,837,207	(96,244)	28,569,984



TRANSACTIONS OF INVESTORS' BENEFICIAL INTERESTS:					
Contributions	22,543,115	1,623,628	64,647,448	1,416,533	3,932,769,311
Withdrawals	(17,490,964)	(2,492,441)	(59,853,334)	(585,266)	(3,524,397,328)
Net increase (decrease) in net assets resulting from transactions of investors' beneficial interests	5,052,151	(868,813)	4,794,114	831,267	408,371,983
TOTAL INCREASE IN NET ASSETS	21,918,577	744,728	12,631,321	735,023	436,941,967
NET ASSETS - Beginning of period	140,807,687	13,219,545	51,167,743	10,995,621	798,269,323
NET ASSETS - End of period	\$162,726,264	\$13,964,273	\$63,799,064	\$11,730,644	\$1,235,211,290

STATEMENTS OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 1998

<TABLE> <CAPTION>					
	MUTUAL FUND PORTFOLIO	UTILITIES STOCK PORTFOLIO	GROWTH STOCK PORTFOLIO	BOND PORTFOLIO	MONEY MARKET PORTFOLIO
INCREASE (DECREASE) IN NET ASSETS:					
<S>	<C>	<C>	<C>	<C>	<C>
OPERATIONS:					
Net investment income	\$2,040,969	\$218,745	\$335,278	\$631,782	\$40,566,858
Net realized gain (loss) from investments and futures contracts	8,222,183	(364,390)	4,583,800	1,102,605	---
Net change in unrealized appreciation (depreciation) of investments	23,909,375	1,126,399	4,790,713	(591,219)	---
Net increase in net assets resulting from operations	34,172,527	980,754	9,709,791	1,143,168	40,566,858
TRANSACTIONS OF INVESTORS' BENEFICIAL INTERESTS:					
Contributions	21,876,913	6,977,776	74,136,798	2,292,244	3,894,846,315
Withdrawals	(59,774,446)	(5,408,703)	(66,072,809)	(9,348,465)	(3,742,162,497)
Net increase (decrease) in net assets resulting from transactions of investors' beneficial interests	(37,897,533)	1,569,073	8,063,989	(7,056,221)	170,683,818
TOTAL INCREASE (DECREASE) IN NET ASSETS	(3,725,006)	2,549,827	17,773,780	(5,913,053)	211,250,676
NET ASSETS - Beginning of period	144,532,693	10,669,718	33,393,963	16,908,674	587,018,647
NET ASSETS - End of period	\$140,807,687	\$13,219,545	\$51,167,743	\$10,995,621	\$798,269,323

See accompanying notes to financial statements

FINANCIAL HIGHLIGHTS

<TABLE> MUTUAL FUND PORTFOLIO <CAPTION>						
	Six Months Ended 6/30/99 (Unaudited)	Year Ended December 31,				
		1998	1997	1996	1995	1994
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net Assets, End of Period (\$000)	\$162,726	\$140,808	\$144,533	\$135,540	\$122,109	\$83,185
Ratio of Expenses to Average Net Assets	0.86%(1)	0.91%	0.89%	0.87%	0.95%	1.01%
Ratio of Net Investment Income to Average Net Assets	1.27%(1)	1.56%	2.08%	1.86%	1.26%	2.76%
Portfolio Turnover Rate	150.75%	128.31%	395.42%	297.41%	186.13%	168.17%

<TABLE> UTILITIES STOCK PORTFOLIO <CAPTION>			
	Six Months	Year Ended December 31,	Period from

	Ended 6/30/99 (Unaudited)	1998	1997	1996	June 21, 1995* to December 31, 1995
<S>	<C>	<C>	<C>	<C>	<C>
Net Assets, End of Period (\$000)	\$13,964	\$13,220	\$10,670	\$7,964	\$4,291
Ratio of Expenses to Average Net Assets	1.29%(1)	1.44%	1.60%	1.61%	2.32%(1)
Ratio of Net Investment Income to Average Net Assets	2.03%(1)	1.73%	1.79%	2.24%	2.09%(1)
Ratio of Expenses to Average Net Assets before directed brokerage payments	1.29%(1)	1.46%	1.65%	1.66%	2.40%(1)
Ratio of Net Investment Income to Average Net Assets before directed brokerage payments	2.03%(1)	1.71%	1.74%	2.19%	2.01%(1)
Portfolio Turnover Rate	22.61%	51.36%	41.22%	50.79%	5.06%

<TABLE>  
GROWTH STOCK PORTFOLIO  
<CAPTION>

	Six Months Ended 6/30/99 (Unaudited)	Year Ended December 31,				
		1998	1997	1996	1995	1994
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net Assets, End of Period (\$000)	\$63,799	\$51,168	\$33,394	\$24,414	\$24,537	\$22,169
Ratio of Expenses to Average Net Assets	1.15%(1)	1.25%	1.34%	1.24%	1.25%	1.23%
Ratio of Net Investment Income to Average Net Assets	0.39%(1)	0.77%	0.83%	2.33%	3.78%	2.35%
Ratio of Expenses to Average Net Assets before waiver of fees	1.17%(1)	1.26%	1.34%	1.24%	1.25%	1.23%
Ratio of Net Investment Income to Average Net Assets before waiver of fees	0.37%(1)	0.76%	0.83%	2.33%	3.78%	2.35%
Portfolio Turnover Rate	28.83%	79.98%	129.79%	81.66%	337.57%	102.76%

<FN>  
(1) Annualized  
\* Date of commencement of operations  
</FN>

</TABLE>

See accompanying notes to financial statements

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FINANCIAL HIGHLIGHTS

<TABLE>  
BOND PORTFOLIO  
<CAPTION>

	Six Months Ended 6/30/99 (Unaudited)	Year Ended December 31,				
		1998	1997	1996	1995	1994
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net Assets, End of Period (\$000)	\$11,731	\$10,996	\$15,274	\$17,792	\$16,066	\$13,008
Ratio of Expenses to Average Net Assets	0.61%(1)	0.57%	0.57%	0.61%	0.57%	0.56%
Ratio of Net Investment Income to Average Net Assets	4.23%(1)	4.97%	5.27%	4.99%	5.82%	4.15%
Ratio of Expenses to Average Net Assets, before waiver of fees	0.69%(1)	0.73%	0.71%	0.68%	0.71%	0.70%
Ratio of Net Investment Income to Average Net Assets, before waiver of fees	4.15%(1)	4.81%	5.13%	4.92%	5.68%	4.01%
Portfolio Turnover Rate	158.48%	225.11%	375.64%	778.59%	232.34%	707.57%

</TABLE>

<TABLE>  
MONEY MARKET PORTFOLIO  
<CAPTION>

	Six Months Ended 6/30/99 (Unaudited)	Year Ended December 31,				
		1998	1997	1996	1995	1994
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net Assets, End of Period (\$000)	\$1,233,358	\$798,269	\$587,019	\$352,930	\$256,126	\$224,523
Ratio of Expenses to Average Net Assets	0.18%(1)	0.18%	0.18%	0.19%	0.21%	0.19%
Ratio of Net Investment Income to Average Net Assets	4.87%(1)	5.39%	5.47%	5.34%	5.87%	4.28%

Ratio of Expenses to Average Net Assets, before waiver of fees	0.29%(1)	0.30%	0.31%	0.33%	0.37%	0.39%
Ratio of Net Investment Income to Average Net Assets, before waiver of fees	4.76%(1)	5.27%	5.34%	5.20%	5.70%	4.08%

</TABLE>

(1) Annualized

See accompanying notes to financial statements

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NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999 (UNAUDITED)

1. ORGANIZATION

Each Fund of The Flex-funds Trust (the "Trust") invests all of its investable assets in a corresponding open-end management investment company (each a "Portfolio" and collectively the "Portfolios") having the same investment objective as the Fund. Each Portfolio is registered under the Investment Company Act of 1940, as amended (the "Act"), as a no-load, open-end management investment company which was organized as a trust under the laws of the State of New York. Each Declaration of Trust permits the Trustees, who are the same for each Portfolio, to issue beneficial interests in each Portfolio. Each Fund, each Portfolio into which the Fund invests and the percentage of each Portfolio owned by the respective Fund is as follows:

The investment objective of each Portfolio is as follows:

The Mutual Fund Portfolio seeks growth of capital through investment in the shares of other mutual funds.

The Utilities Stock Portfolio seeks a high level of current income and growth of income by investing primarily in equity securities of domestic and foreign public utility companies; however, it will not invest in electric utilities whose generation of power is derived from nuclear reactors. The Portfolio also seeks capital appreciation, but only when consistent with its primary investment objective.

The Growth Stock Portfolio seeks capital growth by investing in a diversified portfolio of domestic common stocks with greater than average growth characteristics selected primarily from the Standard & Poor's 500 Composite Stock Price Index (the "S&P 500").

The Bond Portfolio seeks to maximize current income through investment in securities, which are issued or guaranteed as to payment of principal and interest, by the U.S. government or any of its agencies or instrumentalities.

The Money Market Portfolio seeks current income and stable net asset values through investment in a portfolio of money market instruments.

The financial statements of the Funds are included elsewhere in this report.

2. SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

INVESTMENTS

Securities which are traded on stock exchanges are valued at the last sales price as of the close of business of the New York Stock Exchange on the day of valuation or, lacking any sales, at the closing bid prices. Securities traded over-the-counter are valued at the most recent bid price or yield equivalent as obtained from one or more dealers that make markets in such securities. Mutual funds are valued at the daily redemption value as reported by the underlying fund. The Bond Portfolio values the securities held at 3:00 pm eastern time. The Portfolios obtain prices from independent pricing services which use valuation techniques approved by the Board of Trustees.

Money market securities held in the Money Market Portfolio are valued at amortized cost, which approximates market value. Money market securities held in

of valuation, or, lacking any sales, at the most recent bid price or yield equivalent as obtained from dealers that make markets in such securities. When such securities are valued within sixty days or less to maturity, the difference between the valuation existing on the sixty-first day before maturity and maturity value is amortized on a straight-line basis to maturity. Securities maturing within sixty days from their date of acquisition are valued at amortized cost.

#### REPURCHASE AGREEMENTS

Each Portfolio may engage in repurchase agreement transactions whereby the Portfolio takes possession of an underlying debt instrument subject to an obligation of the seller to repurchase the instrument from the Portfolio and an obligation of the Portfolio to resell the instrument at an agreed upon price and term. At all times, the Portfolio maintains the value of collateral, including accrued interest, at least 100% of the amount of the repurchase agreement, plus accrued interest. If the seller defaults or the fair value of the collateral declines, realization of the collateral by the Portfolios may be delayed or limited.

#### DEFERRED TRUSTEE COMPENSATION

Under a Deferred Compensation Plan (the "Plan") non-interested Trustees may elect to defer receipt of a portion of their annual compensation. Under the Plan, deferred amounts are invested in the shares of the Flex-funds and Flex-Partners Funds. Deferred amounts remain in the Portfolios until distributed in accordance with the Plan.

#### FUTURES & OPTIONS

Each Portfolio, except the Money Market Portfolio, may engage in transactions in financial futures contracts and options contracts in order to manage the risk of unanticipated changes in market values of securities held in the portfolio, or which it intends to purchase. Such transactions may be considered trading activity under generally accepted accounting principles. The expectation is that any gain or loss on such transactions will be substantially offset by any gain or loss on the securities in the underlying portfolio or on those which are being considered for purchase.

To the extent that the Portfolio enters into futures contracts on an index or group of securities the Portfolio exposes itself to an indeterminate liability and will be required to pay or receive a sum of money measured by the change in the market value of the index. Upon entering into a futures contract the Portfolio is required to deposit an initial margin, which is either cash or securities in an amount equal to a certain percentage of the contract value. Subsequently, the variation margin, which is equal to changes in the daily settlement price or last sale price on the exchanges where they trade, is received or paid. The Portfolios record realized gains or losses for the daily variation margin when they are recorded as a gains or losses from futures contracts.

Call and put option contracts involve the payment of a premium for the right to purchase or sell an individual security or index aggregate at a specified price until the expiration of the contract. Such transactions expose the Portfolio to the loss of the premium paid if the Portfolio does not sell or exercise the contract prior to the expiration date. In the case of a call option, sufficient cash or money market instruments will be segregated to complete the purchase. Options are valued on the basis of the daily settlement price or last sale on the exchanges where they trade and the changes in value are recorded as an unrealized appreciation or depreciation until closed, exercised or expired.

The Portfolios may write covered call or put options for which premiums received are recorded in as liabilities and are subsequently adjusted to current market value of the options written. When written options are closed or exercised, premiums received are offset against the proceeds paid, and the Portfolio records realized gains or losses for the difference. When written options expire, the liability is eliminated, and the Portfolio records realized gains for the entire amount of premiums received.

During the six months ended June 30, 1999 the Portfolios had the following activity in futures contracts and written option contracts:

Long contracts	Number of contracts	Notional amount
MUTUAL FUND PORTFOLIO:		
Outstanding, beginning of year	20	\$6,274,000
Contracts opened	646	65,225,963
Contracts closed	(469)	(6,600,975)
Outstanding, end of period	197	\$64,898,988
GROWTH STOCK PORTFOLIO:		
Outstanding, beginning of year	7	\$2,055,875
Contracts opened	200	65,054,413
Contracts closed	(184)	(59,400,775)
Outstanding, end of period	23	\$7,709,513

#### LETTER OF CREDIT

Each Portfolio has pledged as collateral a U.S. Government Security, cash or other high-grade debt security solely for the benefit of ICI Mutual Insurance Co. for the Portfolios' fidelity bond coverage.

#### INCOME TAXES

The Portfolios will be treated as a partnership for Federal income tax purposes. As such, each investor in the Portfolios will be subject to taxation on its share of the Portfolios' ordinary income and capital gains. It is each Portfolio's policy to comply with the requirements of the Internal Revenue Code applicable to it. Therefore, no Federal income tax provision is required.

#### SECURITIES TRANSACTIONS

The Portfolios record security transactions on the trade date. Gains and losses realized from the sale of securities are determined on the specific identification basis. Dividend income is recognized on the ex-dividend date, and interest income (including amortization of premium and accretion of discount) is recognized as earned.

#### 3. AGREEMENTS AND TRANSACTIONS WITH AFFILIATES

R. Meeder & Associates (RMA), a wholly-owned subsidiary of Muirfield Investors, Inc. (MII), provides each Portfolio with investment management, research, statistical and advisory services. Under separate Investment Subadvisory Agreements with RMA, Miller/Howard Investments, Inc. and Sector Capital Management, Inc. serve as subadvisor of the Utilities Stock Portfolio and Growth Stock Portfolio, respectively. Sub-subadvisers, selected by Sector Capital Management, Inc., subject to the review and approval of the Trustees of the Growth Stock Portfolio, are responsible for the selection of individual portfolio securities for the assets of the Portfolio assigned to them by Sector Capital Management, Inc.

For such services the Portfolios pay monthly a fee at the following annual rates: Mutual Fund Portfolio, Utilities Stock Portfolio, and Growth Stock Portfolio, 1.00% of average daily net assets up to \$50 million, 0.75% of average daily net assets exceeding \$50 million up to \$100 million and 0.60% of average daily net assets exceeding \$100 million; Bond Portfolio, 0.40% of average daily net assets up to \$100 million and 0.20% of average daily net assets exceeding \$100 million; Money Market Portfolio, 0.40% of average daily net assets up to \$100 million and 0.25% of average daily net assets exceeding \$100 million. During the six months ended June 30, 1999, RMA voluntarily waived a portion of its investment advisory fees in the Money Market and Bond Portfolios.

Mutual Funds Service Co. ("MFSCo"), a wholly-owned subsidiary of MII, serves as accounting services agent for each Portfolio. In compensation for such services, each Portfolio pays MFSCo an annual fee equal to the greater of:

- a. 0.15% of the first \$10 million of average daily net assets, 0.10% of the next \$20 million of average daily net assets, 0.02% of the next \$50 million of average daily net assets, and 0.01% in excess of \$80 million of average daily net assets, or
- b. \$7,500 for each Portfolio, except \$30,000 for the Money Market Portfolio.

Certain officers and trustees of the Portfolios are also officers or directors of MII, RMA and MFSCo.

4. SECURITIES TRANSACTIONS

For the six months ended June 30, 1999, the cost of purchases and proceeds from sales or maturities of long-term investments for the Portfolios were as follows:

Portfolio	Purchases	Sales
Mutual Fund Portfolio	\$131,601,231	\$186,718,387
Utilities Stock Portfolio	2,861,733	4,004,953
Growth Stock Portfolio	15,532,282	15,080,012
Bond Portfolio	5,380,229	14,181,019

As of June 30, 1999, the aggregate cost basis of investments and unrealized appreciation (depreciation) for Federal income tax was as follows:

Portfolio	Cost basis of investments	Unrealized appreciation	Unrealized depreciation	Net unrealized appreciation (depreciation)
Mutual Fund Portfolio	\$155,565,703	\$7,840,668	(\$629,150)	\$7,211,518
Utilities Stock Portfolio	11,117,975	3,107,876	(269,351)	2,838,525
Growth Stock Portfolio	49,040,708	15,396,584	(903,478)	14,493,106
Bond Portfolio	11,690,944	0	(8,443)	(8,443)
Money Market Portfolio	1,230,029,521	---	---	---

MANAGER AND INVESTMENT ADVISER

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Dublin, Ohio 43017

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SUBADVISER/THE GROWTH STOCK PORTFOLIO

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Robert S. Meeder, Jr.  
Jack Nicklaus II  
Walter L. Ogle  
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