

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

INDEPENDENCE ONE MUTUAL FUNDS

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Business Address
*FEDERATED INVESTORS
TWR
PITTSBURGH PA 15222
4122881229*

INDEPENDENCE
ONE
U.S. GOVERNMENT
SECURITIES
FUND

SEMI-ANNUAL REPORT
TO SHAREHOLDERS
OCTOBER 31, 1993

FEDERATED SECURITIES CORP
Distributor

A subsidiary of FEDERATED INVESTORS

FEDERATED INVESTORS TOWER
PITTSBURGH, PA 15222-3779

3110412 (12/93)

PRESIDENT'S MESSAGE

Dear Investor:

I am pleased to present the first Semi-Annual Report of Independence One U.S. Government Securities Fund (the "Fund") for the six-month period ended October 31, 1993. It contains complete financial information for the Fund--including the Investment Review and Portfolio of Investments.

The Fund is a classic way to help your money earn income through the relative safety of short-term U.S. Treasury notes. Total net assets in the Fund at the end of the report period stood at \$87.1 million. Dividends paid to shareholders during the period totaled \$2.3 million.

Thank you for your confidence in the Fund as a prudent way to put your cash to work. As always, we welcome your questions, comments, or suggestions.

Sincerely,

Edward C. Gonzales
President
December 15, 1993

INVESTMENT REVIEW

The shares of the Independence One U.S. Government Securities Fund represent interests in the Fund, which is one of a series of investment portfolios in the Independence One Mutual Funds, an open-end management investment company. The investment objective of the Fund is to seek high current income. The Fund pursues this investment objective by investing in U.S. government securities which are either issued or guaranteed by the U.S. government, its agencies or instrumentalities.

Long-term interest rates have remained at record low levels for most of 1993, with the thirty-year government bond interest rate piercing below the 6% barrier during the third quarter. It has since returned to levels slightly above 6%. Total assets in the Fund are approximately \$87.1 million. The average maturity for the Fund as of October 31, 1993 was 4.3 years.

A sluggish economic growth rate is responsible for keeping interest rates at such low levels. Economic downturns of our trade partners and weakness in certain manufacturing categories, personal income growth, employment and bank lending activity continue to keep the economic growth rate to a minimum.

We expect low interest rates to continue through the coming year unless economic activity increases dramatically, forcing up inflation factors. Economic indicators released recently seem to be consistent with this premise.

The Fund's investment adviser will continue to monitor economic and market

developments to best serve our shareholders who seek a well-managed fund that seeks high current income.

INDEPENDENCE ONE U.S. GOVERNMENT SECURITIES FUND
 PORTFOLIO OF INVESTMENTS
 OCTOBER 31, 1993
 (UNAUDITED)

<TABLE>
 <CAPTION>

PRINCIPAL AMOUNT		VALUE
<S>	<C>	<C>
U.S. TREASURY OBLIGATIONS--98.9%		
U.S. TREASURY NOTES		
\$ 500,000	9.000%, 11/15/93	\$ 501,249
500,000	7.625%, 12/31/93	503,745
6,035,000	5.125%, 5/31/94	6,097,221
5,970,000	5.000%, 6/30/94	6,033,401
400,000	8.500%, 6/30/94	413,372
3,245,000	4.250%, 7/31/94	3,264,243
635,000	4.250%, 8/31/94	639,166
530,000	4.000%, 9/30/94	532,316
830,000	4.250%, 10/31/94	835,702
4,500,000	3.875%, 2/28/95	4,508,415
250,000	3.875%, 3/31/95	250,468
850,000	3.875%, 4/30/95	850,791
8,630,000	6.250%, 1/31/97	9,110,001
9,380,000	5.500%, 7/31/97	9,690,666
440,000	5.500%, 9/30/97	454,436
450,000	5.125%, 2/28/98	457,169
300,000	5.125%, 3/31/98	304,593
6,285,000	6.375%, 1/15/99	6,699,370
7,035,000	7.000%, 4/15/99	7,718,661
4,690,000	6.375%, 7/15/99	5,005,074
440,000	6.000%, 10/15/99	461,446
750,000	5.500%, 4/15/2000	769,447
1,500,000	8.750%, 8/15/2000	1,804,215
4,325,000	7.750%, 2/15/2001	4,976,431
12,625,000	6.375%, 8/15/2002	13,481,101
750,000	6.250%, 2/15/2003	792,884
TOTAL U.S. TREASURY OBLIGATIONS (IDENTIFIED COST \$82,500,401)		86,155,583

233,000	Kidder, Peabody & Co., Inc., 2.97%, dated 10/29/93, due 11/1/93 (Note 2B)	233,000
TOTAL INVESTMENTS (IDENTIFIED COST \$82,733,401)		\$ 86,388,583

</TABLE>

* The repurchase agreement is fully collateralized by U.S. government and/or agency obligations based on market prices at the date of the portfolio.

\ The cost of investments for federal tax purposes amounts to \$82,733,401. The net unrealized appreciation on a federal tax basis amounts to \$3,655,182, which is comprised of \$3,738,994 appreciation and \$83,812 depreciation at October 31, 1993.

Note: The categories of investments are shown as a percentage of net assets (\$87,128,115) at October 31, 1993.

(See Notes which are an integral part of the Financial Statements)

INDEPENDENCE ONE U.S. GOVERNMENT SECURITIES FUND
 STATEMENT OF ASSETS AND LIABILITIES
 OCTOBER 31, 1993
 (UNAUDITED)

<TABLE>

<S>	<C>	<C>
ASSETS:		
Investments in securities at value (Notes 2A and 2B) (identified and tax cost: \$82,733,401)	\$	86,388,583
Cash		88
Interest receivable		1,158,722
Receivable for Fund shares sold		10,400
Prepaid/deferred expenses (Note 2F)		27,506
Total assets		87,585,299
LIABILITIES:		
Dividends payable	\$	378,633
Accrued expenses		78,551
Total liabilities		457,184
NET ASSETS for 8,345,076 shares of beneficial interest outstanding	\$	87,128,115
NET ASSETS CONSIST OF:		
Paid-in capital	\$	83,484,749
Unrealized appreciation of investments		3,655,182
Accumulated net realized loss on investments		(11,816)
Total	\$	87,128,115

NET ASSET VALUE, Offering Price, and Redemption Price Per Share
 (\$87,128,115 / 8,345,076 shares of beneficial interest outstanding) \$10.44

(See Notes which are an integral part of the Financial Statements)

</TABLE>

STATEMENT OF OPERATIONS
SIX MONTHS ENDED OCTOBER 31, 1993
(UNAUDITED)

<S>	<C>	<C>
INVESTMENT INCOME:		
Interest income (Note 2C)		\$ 2,470,000
EXPENSES:		
Investment advisory fee (Note 5)	\$ 310,710	
Administrative personnel and services (Note 5)	55,973	
Trustees' fees	2,025	
Custodian, transfer, and dividend disbursing agent fees and expenses	41,044	
Legal fees	502	
Printing and postage	3,445	
Auditing fees	6,079	
Registration fees	17,719	
Insurance	4,757	
Miscellaneous	1,922	
Total expenses	444,176	
Waiver of investment advisory fee (Note 5)	310,710	
Net expenses		133,466
Net investment income		2,336,534
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:		
Net realized loss on investments (identified cost basis)		(11,816)
Net change in unrealized appreciation on investments		1,123,587
Net realized and unrealized gain on investments		1,111,771
Change in net assets resulting from operations		\$ 3,448,305

</TABLE>

(See Notes which are an integral part of the Financial Statements)

INDEPENDENCE ONE U.S. GOVERNMENT SECURITIES FUND
STATEMENT OF CHANGES IN NET ASSETS

<TABLE> <CAPTION>	SIX MONTHS ENDED 10/31/93 (UNAUDITED)	PERIOD ENDED 4/30/93*
<S>	<C>	<C>
OPERATIONS--		
Net investment income	\$ 2,336,534	\$ 1,408,239
Net realized loss on investments (\$11,816 net loss and \$0 respectively, as computed for federal tax purposes)	(11,816)	--

Net change in unrealized appreciation on investments	1,123,587	2,531,595
Change in net assets resulting from operations	3,448,305	3,939,834
DISTRIBUTIONS TO SHAREHOLDERS (NOTE 3)--		
Dividends to shareholders from net investment income	(2,336,534)	(1,408,239)
FUND SHARE (PRINCIPAL) TRANSACTIONS (NOTE 4)--		
Proceeds from sale of shares	7,079,734	88,282,503
Cost of shares redeemed	(8,767,868)	(3,109,620)
Change in net assets from Fund share transactions	(1,688,134)	85,172,883
Change in net assets	(576,363)	87,704,478
NET ASSETS:		
Beginning of period	87,704,478	--
End of period	\$ 87,128,115	\$ 87,704,478

</TABLE>

*The period from January 11, 1993 (date of initial public investment) to April 30, 1993.

(See Notes which are an integral part of the Financial Statements)

INDEPENDENCE ONE U.S. GOVERNMENT SECURITIES FUND
FINANCIAL HIGHLIGHTS

(FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD)

<TABLE>
<CAPTION>

<S>	YEAR ENDED APRIL 30,	
	<C> 1994*	<C> 1993**
NET ASSET VALUE, BEGINNING OF PERIOD	\$ 10.31	\$ 10.00
INCOME FROM INVESTMENT OPERATIONS		
Net investment income	0.28	0.33
Net realized and unrealized gain (loss) on investments	0.13	0.31
Total from investment operations	0.41	0.64
LESS DISTRIBUTIONS		
Dividends to shareholders from net investment income	(0.28)	(0.33)
NET ASSET VALUE, END OF PERIOD	\$ 10.44	\$ 10.31
TOTAL RETURN***	3.98% (a)	4.61% (a)
RATIOS TO AVERAGE NET ASSETS		
Expenses	0.30% (b)	0.17% (b)
Net investment income	5.26% (b)	5.59% (b)
Expense adjustment (c)	0.70% (b)	0.83% (b)
SUPPLEMENTAL DATA		
Net assets, end of period (000 omitted)	87,128	87,704
Portfolio turnover rate	1%	0%

</TABLE>

* Six months ended October 31, 1993 (unaudited).

** Reflects operations for the period from January 11, 1993 (date of initial public investment) to April 30, 1993.

*** Based on net asset value.

(a) Cumulative total return based on net asset value.

(b) Computed on an annualized basis.

(c) Increase/decrease in above expense/income ratios due to waivers or reimbursements of expenses (Note 5).

(See Notes which are an integral part of the Financial Statements)

INDEPENDENCE ONE U.S. GOVERNMENT SECURITIES FUND

NOTES TO FINANCIAL STATEMENTS

OCTOBER 31, 1993

(UNAUDITED)

(1) ORGANIZATION

Independence One Mutual Funds (the "Trust") is registered under the Investment Company Act of 1940, as amended, as an open-end, management investment company. The Trust was established as a Massachusetts business trust under a Declaration of Trust dated January 9, 1989. The Trust currently consists of four portfolios. The financial statements included herein are only those of Independence One U.S. Government Securities Fund (the "Fund"). The financial statements of the other portfolios are presented separately. The assets of each portfolio are segregated and a shareholder's interest is limited to the portfolio in which shares are held. The Declaration of Trust permits the Trust to offer separate series of shares of beneficial interest representing interest in separate portfolios of securities. The Investment Shares are not being offered as of October 31, 1993.

(2) SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The policies are in conformity with generally accepted accounting principles.

- A. INVESTMENT VALUATIONS--U.S. government obligations are valued at the mean between the over-the-counter bid and asked prices as furnished by an independent pricing service. U.S. government obligations maturing in sixty days or less are valued at amortized cost, which approximates value.
- B. REPURCHASE AGREEMENTS--It is the policy of the Trust to require the custodian bank to take possession, to have legally segregated in the Federal Reserve Book Entry System or to have segregated within the custodian bank's vault, all securities held as collateral in support of repurchase agreement investments. Additionally, procedures have been established by the Fund to monitor, on a daily basis, the market value of each repurchase agreement's underlying securities to ensure the existence of a proper level of collateral.

The Fund will only enter into repurchase agreements with banks and other recognized financial institutions such as brokers/dealers which are deemed by the Fund's adviser to be creditworthy pursuant to guidelines established by the Trustees. Risks may arise from the potential inability of counterparties to honor the terms of the repurchase agreement. Accordingly, the Fund could receive less than the repurchase price on the sale of collateral securities.

- C. INCOME--Interest income is recorded on the accrual basis. Interest income includes interest and discount earned (net of premium) on short-term obligations, and interest earned on all other debt securities including original issue discount as required by the Internal Revenue Code, as amended.
- D. FEDERAL TAXES--It is the Fund's policy to comply with the provisions of the Internal Revenue Code, as amended, applicable to investment companies and

to distribute to shareholders each year all of its taxable income, including any net realized gain on investments. Accordingly, no provision for federal tax is necessary.

- E. WHEN-ISSUED AND DELAYED DELIVERY TRANSACTIONS--The Fund may engage in when-issued or delayed delivery transactions. To the extent the Fund engages in such transactions, it will do so for the purpose of acquiring portfolio securities consistent with its investment objective and policies and not for the purpose of investment leverage. When the Fund indicates its interest in acquiring such portfolio securities, no liability accrues to the Fund until the trade date of the transaction. When effecting such transactions, assets of the Fund of a dollar amount sufficient to make payment for the portfolio securities to be purchased will be segregated on the Fund's records at the trade date. Securities purchased on a when-issued or delayed delivery basis do not earn income until the settlement date.
- F. DEFERRED EXPENSES--The costs incurred by the Fund with respect to registration of its shares in its first fiscal year, excluding the initial expense of registering the shares, have been deferred and are being amortized using the straight-line method over a period of five years from the Fund's commencement date.
- G. OTHER--Investment transactions are accounted for on the date of the transaction.

(3) DIVIDENDS AND DISTRIBUTIONS

The Fund computes its net income daily and, immediately prior to the calculation of its net asset value at the close of business, declares and records dividends, excluding capital gains, to shareholders of record, with respect to shares for which payment in federal funds has been received. Payment of dividends is made monthly in cash, or in additional shares at the net asset value on the payable date. Distributions of any net realized capital gains are made at least once every twelve months. Dividends to shareholders and capital gain distributions, if any, are recorded on the ex-dividend date.

(4) SHARES OF BENEFICIAL INTEREST

The Declaration of Trust permits the Trustees to issue an unlimited number of full and fractional shares of beneficial interest (without par value). Transactions in Fund shares were as follows:

<TABLE>
<CAPTION>

	SIX MONTHS ENDED 10/31/93	PERIOD ENDED 4/30/93*
<S>	<C>	<C>
----- Shares outstanding, beginning of period -----	8,506,163	--
----- Shares sold -----	683,796	8,809,732
----- Shares redeemed -----	(844,883)	(303,569)
----- Shares outstanding, end of period -----	8,345,076	8,506,163

</TABLE>

* The period from January 11, 1993 (date of initial public investment) to April 30, 1993.

(5) INVESTMENT ADVISORY FEE AND OTHER TRANSACTIONS WITH AFFILIATES

Michigan National Bank, the Fund's investment adviser ("Adviser"), receives for its services an annual investment advisory fee equal to .70 of 1% of the Fund's average daily net assets, subject to an undertaking to reimburse the Fund by the amount that normal operating expenses of the Fund (including the investment advisory fee, but excluding brokerage commissions, interest, taxes and extraordinary expenses) exceed 2-1/2% per year on the first \$30 million of average daily net assets of the Fund, 2% per year on the next \$70 million of average daily net assets of the Fund and 1-1/2% per year on any additional net assets. For the period ended October 31, 1993, Adviser earned an investment advisory fee of \$310,710, all of which was voluntarily waived.

Administrative personnel and services are provided by Federated Administrative Services ("FAS") at annual rates of .150 of 1% on the first \$250 million, .125 of 1% on the next \$250 million, .100 of 1% on the next \$250 million, and .075 of 1% on assets in excess of \$750 million, respectively, of average aggregate daily net assets of the Independence One Mutual Funds. For the period ended October 31, 1993, FAS earned administrative personnel fees amounting to \$55,973. Expenses of organizing the Fund (\$49,664) were borne initially by FAS. The Fund has agreed to reimburse FAS for the organization expenses borne by FAS during the five-year period following the date the Trust's portfolio became effective. During the six months ended October 31, 1993, the Fund paid FAS \$1,620 for organization expenses pursuant to this agreement. Certain Officers of the Fund are Officers and Directors of FAS.

(6) INVESTMENT TRANSACTIONS

Purchases and sales of investments (excluding short-term obligations) for the six months ended October 31, 1993 were as follows:

<TABLE>	<C>
<S>	

PURCHASES--	

U.S. government obligations	\$ 1,505,449

SALES--	

U.S. government obligations	\$ 750,000

</TABLE>	

TRUSTEES	OFFICERS

<TABLE>	<C>
<S>	
Robert E. Baker	Edward C. Gonzales
Harold Berry	President and Treasurer
Clarence G. Frame	Jeffrey W. Sterling
Harry J. Nederlander	Vice President and Assistant Treasurer
David L. VanAndel*	Jay S. Neuman
Thomas S. Wilson*	Secretary
</TABLE>	

*Assumed office on December 7, 1993.

Mutual funds are not obligations of or insured by any bank nor are they insured by the federal government or any of its agencies. Investment in these shares involves risk, including the possible loss of principal.

This report is authorized for distribution to prospective investors only when preceded or accompanied by the Fund's prospectus which contains facts concerning its objective and policies, management fees, expenses and other information.

INDEPENDENCE
ONE
MICHIGAN
MUNICIPAL
CASH FUND

SEMI-ANNUAL REPORT
TO SHAREHOLDERS
OCTOBER 31, 1993

FEDERATED SECURITIES CORP.
Distributor

A subsidiary of FEDERATED INVESTORS

FEDERATED INVESTORS TOWER

1110803 (12/93)

PRESIDENT'S MESSAGE

Dear Investor:

I am pleased to present the Semi-Annual Report of Independence One Michigan Municipal Cash Fund (the "Fund") for the six-month period ended October 31, 1993. It contains complete financial information for the Fund--including the Investment Review and Portfolio of Investments.

Because taxes can take more of your income than ever, you can take comfort in knowing that, as a shareholder, you are pursuing dividends free from federal and state income taxes* through a high-quality, diversified portfolio of municipal money market securities. At the end of the report period, total net assets in the Fund stood at \$76 million. Double-tax-free dividends paid to shareholders during the period totaled \$771,795.

Thank you for using the Fund to keep your cash earning double-tax-free income, while you enjoy easy access to your money and a high level of stability. As always, we welcome your questions, comments, or suggestions.

Sincerely,

Edward C. Gonzales
President
December 15, 1993

* A portion of the Fund's income may be subject to the federal alternative minimum tax.

INVESTMENT REVIEW

The shares of the Independence One Michigan Municipal Cash Fund represent interests in the Fund, which is one of a series of investment portfolios in the Independence One Mutual Funds, an open-end, management investment company. The investment objective of the Fund is to provide stability of income and current income exempt from federal regular income tax* as well as Michigan state income tax consistent with the stability of principal. The Fund pursues this investment objective by investing at least 80% of its assets in a portfolio of Michigan municipal securities maturing in 397 days or less.

Short-term interest rates have been fairly steady for most of 1993. This trend in interest rates is reflected in the 7-day average yield for the Fund, which has ranged from 1.88% on January 31, 1993 to its current yield of 1.97% on October 31, 1993.** Total net assets in the Fund are approximately \$76 million. The average maturity for the Fund as of October 31, 1993 was 54 days.

The primary reason short-term interest rates have remained steady in 1993 is that the Federal Reserve Board (the "Fed") elected to leave monetary policy unchanged. The Fed has been satisfied with the pace of the economy and the relatively low rate of inflation.

Looking ahead to 1994, we do not expect a significant change in short-term interest rates. However, as the economy continues to grow, it could trigger a resurgence in inflation, thereby forcing a tightening in monetary policy and a subsequent increase in interest rates.

The Fund's investment adviser will continue to monitor economic and market developments to best serve our shareholders who seek a well-managed fund that stresses a high degree of safety, liquidity and competitive yields.

* Some portion of the Fund's income may be subject to the federal alternative minimum tax.

** Past performance is not indicative of future results. Yield will vary. Although money market funds seek to maintain a stable net asset value of \$1.00 per share, there is no assurance that they will be able to do so. An investment in the Fund is neither insured nor guaranteed by the U.S.

government.

INDEPENDENCE ONE MICHIGAN MUNICIPAL CASH FUND
 PORTFOLIO OF INVESTMENTS
 OCTOBER 31, 1993
 (UNAUDITED)

<TABLE>
 <CAPTION>

PRINCIPAL AMOUNT <S>	<C>	ISSUE	CREDIT RATING: MOODY'S/ S&P* <C>	VALUE <C>

SHORT-TERM MUNICIPAL SECURITIES--95.9%				

\$ 200,000		Board of Trustees of Western Michigan University General Revenue Bonds, 2.40% (Series 1993A), 1/15/94	Aaa/AAA	\$ 200,000
495,000		Britton--Macon Area School, Lenawee & Monroe Counties, MI, 2.50% TANS, 4/5/94	NR/NR	495,821
2,500,000		Burke County, GA, Development Authority, 2.30% (Oglethorpe Power Corp.)/(Credit Suisse LOC), 11/8/93	P-1/A-1+	2,500,000
425,000		City of Grand Rapids, EDC Weekly VRDN (140 Monroe Ltd. Partnership)/(Old Kent Bank LOC)	NR/NR	425,000
1,000,000		Delta County, MI, EDC 2.30% (Mead Paper)/(Union Bank of Switzerland LOC), 11/4/93	P-1/NR	1,000,000
1,100,000		Delta County, MI, EDC 2.35% (Mead Paper)/(Swiss Bank Corp. LOC), 11/17/93	P-1/NR	1,100,000
1,900,000		Delta County, MI, EDC 2.35% (Mead Paper)/(Swiss Bank Corp. LOC), 11/24/93	P-1/NR	1,900,000
2,040,000		Delta County, MI, EDC 2.50% (Mead Paper)/(Union Bank of Switzerland LOC), 1/6/94	P-1/NR	2,040,000
1,000,000		Delta County, MI, EDC 2.50% (Mead Paper)/(Swiss Bank LOC), 1/24/94	P-1/NR	1,000,000
1,060,000		Farmington Hills, MI, EDC 3.15% (Marketing Display)/ (Comerica Bank LOC)/(Subject to AMT), 3/1/94	NR/NR	1,060,000
205,000		Farmington Hills, MI, EDC, Weekly VRDNs (Brookfield)/(Comerica Bank LOC)	NR/A-1	205,000
2,000,000		Grand Rapids, MI, EDC, Weekly VRDNs (Series A 1991)/(Amway Hotel Corp.)/(Sakura Bank, Ltd. LOC)	VMIG1/A-1+	2,000,000
1,500,000		Grand Rapids, MI, EDC, Weekly VRDNs (Series A 1991)/(Amway Hotel Corp.)/(Sakura Bank, Ltd. LOC)	VMIG1/A-1+	1,500,000
3,200,000		Huron Valley School District, Oakland & Livingston Counties, MI, 2.70% TANS, 4/5/94	NR/NR	3,203,301
2,000,000		Kalamazoo Public Library, Kalamazoo County, MI, 2.50% TANS, 4/5/94	NR/NR	2,000,410
1,000,000		Kalamazoo, MI, Hospital Finance Authority, 2.40% (Bronson Methodist Hospital)/(Mitsubishi Bank, Ltd. LOC), 11/10/93	VMIG1/Aa3	1,000,000
800,000		Lakeview Public Schools, Macomb County, MI, 2.45%, TANS, 4/1/94	NR/NR	800,149
700,000		Lapeer County, MI, EDC, Weekly VRDNs (Rochester Gear)/(Comerica Bank LOC)/(Subject to AMT)	NR/NR	700,000
2,500,000		Michigan Higher Education Student Loan, Weekly VRDNs (Series X11-B)/(AMBAC Insured) (Subject to AMT)	VMIG1/A-1+	2,500,000

1,000,000	Michigan Higher Education Student Loan, Weekly VRDNs (Series X11-F)/(AMBAC Insured)/(Subject to AMT)	VMIG1/ AAA	1,000,000
500,000	Michigan Municipal Bond Authority, 2.60% (Equipment & Realty Property Financing Program)/(FSA Insured), 5/ 1/94	Aaa/AAA	502,430
450,000	Michigan South Central Power Agency Power Supply System, 2.75%, Revenue Refunding Bonds (MBIA Insured), 11/1/93	Aaa/AAA	450,000
3,000,000	Michigan State, School Loan Notes, 2.49%, 4/29/94	NR/NR	3,011,063
100,000	Michigan State Hospital Finance Authority, Weekly VRDNs/(Comerica Bank LOC)	VMIG1/A-1	100,000
275,000	Michigan State Hospital Finance Authority, 2.50% (Comerica Bank LOC), 12/8/93	VMIG1/NR	275,000
1,500,000	Michigan State Housing Development Authority, 2.70% (Series 1988)/(Sanwa Bank LOC)/(Subject to AMT), 1/ 12/94	VMIG1/A-1+	1,500,000
1,000,000	Michigan State Housing Development Authority, 2.75% (Series 1988)/(Sanwa Bank LOC)/(Subject to AMT), 11/ 13/94	VMIG1/A-1+	1,000,000
550,000	Michigan State Housing Development Authority, 2.70%, SFM Revenue Bonds, 12/1/93	NR/AA	550,000
300,000	Michigan State Housing Development Authority, 2.70%, SFM Revenue Bonds, 12/1/93	NR/AA	300,000
85,000	Michigan State Job Development Authority, 2.85% (Brewer Sawmill Inc.)/(National Bank of Detroit LOC), 4/15/94	NR/NR	85,000
1,400,000	Michigan Strategic Fund Solid Waste Disposal, Weekly VRDNs (Barclays Bank PLC LOC)/(Subject to AMT)	VMIG1/NR	1,400,000
500,000	Michigan Strategic Fund, 2.40% (Scott Paper)/(Series C)/(Sumitomo Bank, Ltd. LOC)/(Subject to AMT), 11/17/93	VMIG1/NR	500,000
300,000	Michigan Strategic Fund, 2.55% (Series B)/(Scott Paper)/(Sumitomo Bank, Ltd. LOC)/(Subject to AMT), 11/22/93	VMIG1/NR	300,000
400,000	Michigan Strategic Fund, 2.40% (Scott Paper)/(Series C), (Sumitomo Bank, Ltd. LOC)/(Subject to AMT), 11/22/93	VMIG1/NR	400,000
1,800,000	Michigan Strategic Fund, 2.45% (Series B)/(Scott Paper)/(Sumitomo Bank, Ltd. LOC)/(Subject to AMT), 11/23/93	VMIG1/NR	1,800,000
2,000,000	Michigan Strategic Fund, 2.65% (Series B)/(Scott Paper)/(Sumitomo Bank, Ltd. LOC)/(Subject to AMT), 1/19/94	VMIG1/NR	2,000,000
240,000	Michigan Strategic Fund, 3.00% (Joseph Gesmundo Trust)/(First of America LOC), 11/15/93	NR/NR	240,000
2,715,000	Michigan Strategic Fund, Weekly VRDNs (General Motors Corp.)	VMIG1/NR	2,715,000
1,600,000	Michigan Strategic Fund Pollution Control Revenue Bonds, Weekly VRDNs (General Motors Corp.)	VMIG1/NR	1,600,000
1,000,000	Michigan Strategic Fund, 2.35% (Dow Chemical Co.), 11/16/93	P-1/NR	1,000,000
500,000	Michigan Strategic Fund, 2.50% (Dow Chemical Co.), 2/ 16/94	P-1/NR	500,000
2,000,000	Michigan Strategic Fund, 2.45% (Series 1987)/(Dow Chemical Co.), 11/18/93	P-1/NR	2,000,000
1,100,000	Michigan Strategic Fund, 2.50% (Dow Chemical Co.), 2/ 16/94	P-1/NR	1,100,000
1,500,000	Michigan Strategic Fund, 2.60% (Series 1987)/(Dow Chemical Co.), 1/11/94	P-1/NR	1,500,000
1,000,000	Michigan Strategic Fund, IDR Weekly VRDNs (Series 1985)/(Allen		

	Group Project)/(Union Bank of Switzerland LOC)	VMIG1/ AAA	1,000,000
35,000	Michigan Strategic Fund Limited Obligation Revenue Bonds, 2.70% (G & R Felpausch Co. Project)/(National Bank of Detroit LOC), 11/1/93	NR/NR	35,000
250,000	Michigan Strategic Fund Limited Obligation Revenue Bonds, Weekly VRDNs (Series B)/(Kay Screen Printing Inc.)/(Comerica Bank LOC)/(Subject to AMT)	NR/NR	250,000
780,000	Michigan Strategic Fund Limited Obligation Revenue Bonds, Weekly VRDNs (Village Pines Project)/(National Bank of Detroit LOC)	NR/NR	780,000
1,150,000	Michigan Strategic Fund Limited Obligation, Weekly VRDNs (Vail Rubber 1989)/(Comerica Bank LOC)/(Subject to AMT)	VMIG1/NR	1,150,000
605,000	Michigan Strategic Fund Limited Obligation Revenue Bond, Weekly VRDNs (Mans Project)/(Comerica Bank LOC)	NR/NR	605,000
125,000	Michigan Strategic Fund Limited Obligation Revenue Bonds, Weekly VRDNs (Riverfront Development Project)/(Old Kent Bank & Trust Co. LOC)	NR/NR	125,000
150,000	Michigan Strategic Fund Limited Obligation Revenue Refunding Bonds, Weekly VRDNs (Series A)/(Riverfront Development Co.)/(Old Kent Bank & Trust Co. LOC)	NR/NR	150,000
650,000	Michigan Strategic Fund, Weekly VRDNs (Sarbeth Investment)/(Comerica Bank LOC)/(Subject to AMT)	VMIG1/NR	650,000
375,000	Michigan Strategic Fund, Weekly VRDNs (Starboard)/ (Comerica Bank LOC)/(Subject to AMT)	NR/NR	375,000
550,000	Michigan Strategic Fund, Weekly VRDNs (Whitehall Ind.)/(Comerica Bank LOC)/(Subject to AMT)	VMIG1/NR	550,000
50,000	Michigan Strategic Fund Limited Obligation Revenue Bonds, Weekly VRDNs (Michigan & Wayne Disposal Inc.)/(Comerica Bank LOC)/(Subject to AMT)	NR/A-1	50,000
465,000	Michigan Strategic Fund Limited Obligation Revenue Bonds, Weekly VRDNs (Riverfront Development Co.)/(Old Kent & Trust Co. LOC)	NR/NR	465,000
25,000	Michigan Strategic Fund Limited Obligation Revenue, Weekly VRDNs (Series F)/(Riverfront Development Co. Project)/(Old Kent Bank & Trust Co. LOC)	NR/NR	25,000
1,500,000	Michigan Strategic Fund Limited Obligation, Weekly VRDNs (Series 1992)/(Pilot Industries, Inc. Project)/ (National Bank of Detroit LOC)/(Subject to AMT)	NR/NR	1,500,000
890,000	Michigan Strategic Fund Limited Obligation Revenue Bonds, Weekly VRDNs, (Riverfront Development Co.)/(Old Kent & Trust Co. LOC)	NR/NR	890,000
870,000	Michigan Strategic Fund Limited Obligation Revenue Bonds, Weekly VRDNs (Riverfront Development Co.)/(Old Kent & Trust Co. LOC)	NR/NR	870,000
50,000	Michigan Strategic Fund Limited Obligation Revenue Bonds, Weekly VRDNs (Riverfront Development Co.)/(Old Kent & Trust Co. LOC)	NR/NR	50,000
3,000,000	Michigan Strategic Fund, Weekly VRDN (Louisiana-- Pacific Corp)/(Wachovia LOC)	NR/NR	3,000,000
3,000,000	New Jersey State Turnpike Authority Revenue Bonds, Weekly VRDNs (Series D)/(Societe General Bond Insurance)/(FGIC Insured)	VMIG1/A-1+	3,000,000
150,000	Oakland County, MI, EDC 3.00% (Orchard Maple Project)/(First of America LOC), 11/15/93	NR/NR	150,000
195,000	Oakland County, MI, EDC 2.70% (Corners Shopping Center)/(First of America LOC), 2/1/94	NR/NR	195,000
150,000	Puerto Rico Industries & Environmental, 2.70% (Abbott Lakes Project), 3/1/94	Aa1/NR	150,000

950,000	Richmond Community Schools, 2.55% TANs, 4/5/94	NR/NR	950,189
2,800,000	Tawas Area Schools, Iosco & Arenal Counties, MI, 2.55% TANs, 3/31/94	NR/NR	2,802,249
1,700,000	White Pigeon Community Schools, St. Joseph & Cass Counties, MI, 2.55% TANs, 4/5/94	NR/NR	1,701,764
TOTAL SHORT-TERM MUNICIPAL SECURITIES			72,927,376

OTHER--3.8%			

2,906,000	Nuveen Tax-Exempt Money Market Fund	NR/NR	2,906,000
TOTAL INVESTMENTS (AT AMORTIZED COST)			\$ 75,833,376

</TABLE>

* See Notes to Portfolio of Investments.
 \ Also represents cost for federal tax purposes.

Note: The categories of investments are shown as a percentage of net assets (\$76,039,835) at October 31, 1993.

INDEPENDENCE ONE MICHIGAN MUNICIPAL CASH FUND

The following abbreviations are used in this portfolio:

<TABLE>	<C>
<S>	IDR--Industrial Development Revenue
AMT--Alternative Minimum Tax	LOC--Letter of Credit
AMBAC--American Municipal Bond Assurance Corporation	LT--Limited Tax
EDC--Economic Development Corporation	MBIA--Municipal Bond Investors Assurance
EDR--Economic Development Revenue	SFM--Single Family Mortgage
FGIC--Financial Guaranty Insurance Company	TANs--Tax Anticipation Notes
FSA--Financial Security Assurance	VRDNs--Variable Rate Demand Notes
GO--General Obligation	
</TABLE>	

(See Notes which are an integral part of the Financial Statements)

INDEPENDENCE ONE MICHIGAN MUNICIPAL CASH FUND

NOTES TO PORTFOLIO OF INVESTMENTS

Moody's highest rating for state and municipal and other short-term notes is MIG1/VMIG1. Short-term municipal securities rated MIG1/VMIG1 are the best quality. They have strong protection from established cash flows of funds for their servicing or from established and broad-based access to the market for refinancing or both. The VMIG1 rating denotes that the security has a demand feature. Moody's rating of MIG2/VMIG2 denotes high-quality margins of protection which are ample although not so large as in the preceding group.

The three highest ratings of Moody's for municipal bonds are Aaa, Aa and A. Bonds rated Aaa are judged to be of the "best quality." The rating Aa is assigned to bonds which are of "high quality by all standards," but as to which margins of protection or other elements make long-term risks appear somewhat larger than Aaa-rated bonds. The Aaa and Aa-rated bonds comprise what are generally known as "high-grade bonds." Bonds which are rated A by Moody's possess many favorable investment attributes and are considered "upper medium-grade obligations." Factors giving security to principal and interest of A-rated bonds are considered adequate, but elements may be present which suggest a susceptibility to impairment sometime in the future. The bonds in the A group which Moody's believes possess the strongest investment attributes are designated by the symbol A1.

Moody's applies numerical modifiers 1, 2 and 3 in each generic rating classification from Aa through B in its corporate or municipal bond rating system. The modifier 1 indicates that the security ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates that the issue ranks in the lower end of its generic rating category.

Standard & Poor's highest rating for municipal commercial paper is A-1. Short-term municipal commercial paper rated A-1 is of the best quality. The capacity for timely payment on issues with an A-2 designation is strong. The rating Prime-1 (P-1) is the highest municipal commercial paper rating assigned by Moody's. Issues rated Prime-2 (P-2) have a strong capacity for repayment of short-term promissory obligations.

The three highest ratings of Standard & Poor's for municipal bonds are AAA (Prime), AA (High Grade) and A (Good Grade). Bonds rated AAA have the highest rating assigned by Standard & Poor's to a debt obligation. Capacity to pay interest and repay principal is extremely strong. Bonds rated AA have a very strong capacity to pay interest and repay principal and differ from the highest rated issues only by a small degree. Bonds rated A have a strong capacity to pay interest and repay principal although they are somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than bonds in higher rated categories. The ratings AA and A may be modified by the addition of a plus or minus sign to show relative standing within the major rating category.

Standard & Poor's rating SP-1 is assigned to short-term municipal obligations with a very strong or strong capacity to pay principal and interest. Those issues determined to possess overwhelming safety characteristics will be given a plus (+) designation. The SP-2 rating denotes a satisfactory capacity to pay principal and interest.

NR indicates the bonds are not currently rated by Moody's or Standard & Poor's. However, management considers them to be of good quality.

(See Notes which are an integral part of the Financial Statements)

INDEPENDENCE ONE MICHIGAN MUNICIPAL CASH FUND
STATEMENT OF ASSETS AND LIABILITIES
OCTOBER 31, 1993
(UNAUDITED)

	<C>	<C>
<TABLE>		
<S>		
ASSETS:		
Investments, at amortized cost and value (Note 2A)		\$ 75,833,376
Cash		351
Interest receivable		326,931
Receivable for Investment sold		5,000
Prepaid/deferred expenses (Note 2E)		1,702
Total assets		76,167,360
LIABILITIES:		
Payable for Fund shares redeemed	\$ 46,300	
Dividends payable	46,220	
Accrued expenses	35,005	
Total liabilities		127,525
NET ASSETS for 76,039,835 shares of beneficial interest outstanding		\$ 76,039,835
NET ASSET VALUE, Offering Price, and Redemption Price Per Share: (\$76,039,835 / 76,039,835 shares of beneficial interest outstanding)		\$1.00

(See Notes which are an integral part of the Financial Statements)

</TABLE>

INDEPENDENCE ONE MICHIGAN MUNICIPAL CASH FUND
STATEMENT OF OPERATIONS
SIX MONTHS ENDED OCTOBER 31, 1993
(UNAUDITED)

	<C>	<C>
INVESTMENT INCOME:		
Interest income (Note 2B)		\$ 965,080
EXPENSES:		
Investment advisory fee (Note 5)	\$ 157,475	
Administrative personnel and services (Note 5)	49,645	
Trustees' fees	1,239	
Custodian, transfer, and dividend disbursing agent fees and expenses	41,280	
Fund share registration costs	3,784	
Auditing fees	4,750	
Legal fees	2,518	
Printing and postage	5,180	
Insurance premiums	2,664	
Miscellaneous	2,351	
Total expenses	270,886	
Deduct--Waiver of investment advisory fee (Note 5)	77,601	
Net expenses		193,285
Net investment income		\$ 771,795

(See Notes which are an integral part of the Financial Statements)

</TABLE>

INDEPENDENCE ONE MICHIGAN MUNICIPAL CASH FUND
STATEMENT OF CHANGES IN NET ASSETS

	SIX MONTHS ENDED OCTOBER 31, 1993 (UNAUDITED) <C>	YEAR ENDED APRIL 30, 1993 <C>
INCREASE (DECREASE) IN NET ASSETS:		
OPERATIONS--		
Net investment income	\$ 771,795	\$ 1,963,249
DISTRIBUTIONS TO SHAREHOLDERS (NOTE 3)--		
Dividends to shareholders from net investment income	(771,795)	(1,963,249)
FUND SHARE (PRINCIPAL) TRANSACTIONS (NOTE 4)--		
Proceeds from sale of shares	170,854,530	346,602,170
Net asset value of shares issued to shareholders electing to receive payment of distribution of Fund shares	486,618	1,197,537

Cost of shares redeemed	(180,063,826)	(334,782,477)
Change in net assets from Fund share transactions	(8,722,678)	13,017,230
Change in net assets	(8,722,678)	13,017,230
NET ASSETS:		
Beginning of period	84,762,513	71,745,283
End of period	\$ 76,039,835	\$ 84,762,513

(See Notes which are an integral part of the Financial Statements)

INDEPENDENCE ONE MICHIGAN MUNICIPAL CASH FUND
FINANCIAL HIGHLIGHTS

(FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD)

<TABLE>
<CAPTION>

	YEAR ENDED APRIL 30,				
	<C> 1994*	<C> 1993	<C> 1992	<C> 1991	<C> 1990***
NET ASSET VALUE, BEGINNING OF PERIOD	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
INCOME FROM INVESTMENT OPERATIONS					
Net investment income	0.01	0.02	0.04	0.05	0.05
LESS DISTRIBUTIONS					
Dividends to shareholders from net investment income	(0.01)	(0.02)	(0.04)	(0.05)	(0.05)
NET ASSET VALUE, END OF PERIOD	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
TOTAL RETURN**	0.99% (a)	2.27%	3.68%	5.18%	5.14% (a)
RATIOS TO AVERAGE NET ASSETS					
Expenses	0.49% (b)	0.53%	0.50%	0.67%	0.44% (b)
Net investment income	1.96% (b)	2.23%	3.51%	5.02%	5.70% (b)
Expense adjustments (c)	0.20% (b)	0.20%	0.39%	0.19%	0.39% (b)
SUPPLEMENTAL DATA					
Net assets, end of period (000 omitted)	\$76,040	\$84,763	\$71,745	\$31,705	\$28,921

</TABLE>

* Six months ended October 31, 1993 (unaudited).

** Based on net asset value.

*** Reflects operations for the period from June 14, 1989 (date of initial public investment) to April 30, 1990.

(a) Cumulative total return based on net asset value.

(b) Computed on an annualized basis.

(c) Increase/decrease in above expense/income ratios due to waivers or reimbursements of expenses (Note 5).

(See Notes which are an integral part of the Financial Statements.)

INDEPENDENCE ONE MICHIGAN MUNICIPAL CASH FUND

(1) ORGANIZATION

Independence One Mutual Funds (the "Trust") is registered under the Investment Company Act of 1940, as amended, as an open-end, management investment company. The Trust was established as a Massachusetts business trust under a Declaration of Trust dated January 9, 1989. The Trust currently consists of four portfolios. The financial statements included herein are only those of Independence One Michigan Municipal Cash Fund (the "Fund"). The financial statements of the other portfolios are presented separately. The assets of each portfolio are segregated and a shareholder's interest is limited to the portfolio in which shares are held. The Declaration of Trust permits the Trust to offer separate series of shares of beneficial interest representing interests in separate portfolios of securities.

(2) SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The policies are in conformity with generally accepted accounting principles.

- A. INVESTMENT VALUATIONS--The Board of Trustees ("Trustees") has determined that the best method currently available for valuing portfolio securities is amortized cost. The Fund's use of the amortized cost method to value its portfolio securities is conditioned on its compliance with Rule 2a-7 under the Investment Company Act of 1940.

Since the Fund may invest a substantial portion of its assets in issuers located in one state, it will be more susceptible to factors adversely affecting issuers of that state, than would be a comparable general tax-exempt mutual fund. In order to reduce the risk associated with such factors, at October 31, 1993, 61.1% of the securities in the portfolio of investments are backed by letters of credit of various financial institutions and various assurance institutions. The aggregate percentages by financial institutions and assurance institutions ranged from 0.6% to 7.9% of total investments.

- B. INCOME--Interest income is recorded on the accrual basis. Interest income includes interest earned net of premium, and original issue discount as required by the Internal Revenue Code.
- C. FEDERAL TAXES--It is the Fund's policy to comply with the provisions of the Internal Revenue Code applicable to investment companies and to distribute to shareholders each year all of its taxable income. Accordingly, no provision for federal tax is necessary. At April 30, 1993, the Fund, for federal tax purposes, had a capital loss carryforward of approximately \$6,510, which will reduce the Fund's taxable income arising from future net realized gain on investments, if any, to the extent permitted by the Internal Revenue Code, and thus will reduce the amount of the distributions to shareholders which would otherwise be necessary to relieve the Fund of any liability for federal income tax. Pursuant to the Internal Revenue Code, such capital loss carryforward will expire in 1998 (\$717), 1999 (\$4,003) and 2000 (\$1,790). Dividends paid by the Fund representing net interest received on tax-exempt municipal securities are not includable by shareholders as gross income for federal income tax purposes because the Fund intends to meet certain requirements of the Internal Revenue Code applicable to regulated investment companies which will enable the Fund to pay exempt interest dividends. The portion of such interest, if any, earned on private activity bonds issued after August 7, 1986, may be considered a tax-preference item to shareholders.
- D. WHEN-ISSUED AND DELAYED DELIVERY TRANSACTIONS--The Fund may engage in when-issued or delayed delivery transactions. To the extent the Fund engages in such transactions, it will do so for the purpose of acquiring portfolio securities consistent with its investment objective and policies and not for the purpose of investment leverage. When the Fund indicates its interest in acquiring such portfolio securities, no liability accrues to the Fund until the trade date of the transaction. The Fund will maintain security positions such that sufficient liquid assets will be available to make payment for the securities to be purchased. These securities are marked to market daily and maintained until the transaction is settled. Securities purchased on a when-issued or delayed delivery basis do not earn income until the

settlement date.

- E. DEFERRED EXPENSES--The costs incurred by the Fund with respect to registration of its shares in its first fiscal year, excluding the initial expense of registering the shares, have been deferred and are being amortized using the straight-line method over a period of five years from the Fund's commencement date.
- F. OTHER--Investment transactions are accounted for on the date of the transaction.

(3) DIVIDENDS

The Fund computes its net income daily and, immediately prior to the calculation of its net asset value at the close of business, declares and records dividends to shareholders of record at the time of the previous computation of the Fund's net asset value. Payment of dividends is made monthly in cash or in additional shares at the net asset value on the payable date.

(4) SHARES OF BENEFICIAL INTEREST

The Declaration of Trust permits the Trustees to issue an unlimited number of full and fractional shares of beneficial interest (without par value). At October 31, 1993, capital paid in aggregated \$76,039,835. Transactions in Fund shares were as follows:

<TABLE>
<CAPTION>

	SIX MONTHS ENDED OCTOBER 31, 1993	YEAR ENDED APRIL 30, 1993
<S>	<C>	<C>
Shares outstanding, beginning of period	84,762,513	71,745,283

Shares sold	170,854,530	346,602,170

Shares issued to shareholders electing to receive payment of distribution in Fund shares	486,618	1,197,537

Shares redeemed	(180,063,826)	(334,782,477)

Shares outstanding, end of period	76,039,835	84,762,513

</TABLE>

(5) INVESTMENT ADVISORY FEE AND OTHER TRANSACTIONS WITH AFFILIATES

Michigan National Bank, the Fund's investment adviser ("Adviser"), receives for its services an annual investment advisory fee equal to .40 of 1% of the Fund's average daily net assets, subject to an undertaking to reimburse the Fund by the amount that normal operating expenses of the Fund (including the investment advisory fee, but excluding brokerage commissions, interest, taxes and extraordinary expenses) exceed 2-1/2% per year on the first \$30 million of average daily net assets of the Fund, 2% per year on the next \$70 million of average daily net assets of the Fund and 1-1/2% per year on any additional net assets. For the six months ended October 31, 1993, Adviser earned an investment advisory fee of \$157,475 of which \$77,601 was voluntarily waived.

Administrative personnel and services are provided by Federated Administrative Services ("FAS") at annual rates of .150 of 1% on the first \$250 million, .125 of 1% on the next \$250 million, .100 of 1% on the next \$250 million, and .075 of 1% on assets in excess of \$750 million, respectively, of average aggregate daily net assets of the Independence One Mutual Funds. For the six months ended October 31, 1993, FAS earned administrative personnel fees amounting to \$49,645. Expenses of organizing the Fund (\$30,610) were borne initially by FAS. The Fund has agreed to pay FAS, at an annual rate of .005 of 1% of average daily net assets, until the organization expenses initially borne by FAS are reimbursed or five years from June 1, 1989, the date the Trust's portfolio became effective, whichever occurs earlier. During the six months ended October 31, 1993, the Fund paid FAS \$1,988 for organization expenses, pursuant to this agreement. Certain Officers of the Fund are Officers and Directors of FAS.

TRUSTEES

OFFICERS

<TABLE>	
<S>	<C>
Robert E. Baker	Edward C. Gonzales
Harold Berry	President and Treasurer
Clarence G. Frame	Jeffrey W. Sterling
Harry J. Nederlander	Vice President and Assistant Treasurer
David L. VanAndel*	Jay S. Neuman
Thomas S. Wilson*	Secretary
</TABLE>	

* Assumed office on December 7, 1993.

Mutual funds are not obligations of or insured by any bank nor are they insured by the federal government or any of its agencies.

This report is authorized for distribution to prospective investors only when preceded or accompanied by the Fund's prospectus which contains facts concerning its objective and policies, management fees, expenses and other information.

INDEPENDENCE
ONE
U.S. TREASURY
MONEY MARKET
FUND

SEMI-ANNUAL REPORT
TO SHAREHOLDERS
OCTOBER 31, 1993

FEDERATED SECURITIES CORP.
Distributor

A subsidiary of FEDERATED INVESTORS

FEDERATED INVESTORS TOWER
PITTSBURGH, PA 15222-3779

0112906 (12/93)

PRESIDENT'S MESSAGE

Dear Investor:

I am pleased to present the Semi-Annual Report of Independence One U.S. Treasury Money Market Fund (the "Fund") for the six-month period ended October 31, 1993. It contains complete financial information for the Fund--including the Investment Review and Portfolio of Investments.

The Fund continues to help your cash pursue competitive income through the relative safety of short-term U.S. Treasury securities, and in repurchase agreements fully backed by these securities. Total net assets in the Fund at the end of the report period stood at \$224.6 million. Dividends paid to shareholders during the period totaled \$2.6 million.

Thank you for your confidence in the Fund as a prudent way to put your cash to work. As always, we welcome your questions, comments, or suggestions.

Sincerely,

Edward C. Gonzales
President
December 15, 1993

INVESTMENT REVIEW

The shares of the Independence One U.S. Treasury Money Market Fund represent interests in the Fund, which is one of a series of investment portfolios in the Independence One Mutual Funds, an open-end, management investment company. The investment objective of the Fund is to provide current income consistent with stability of principal. The Fund pursues this investment objective by investing in a portfolio of short-term U.S. Treasury obligations.

Short-term interest rates have been fairly steady for most of 1993. This trend in interest rates is reflected in the 7-day average yield for the Fund, which has ranged from 2.66% on January 31, 1993 to its current yield of 2.55% on October 31, 1993.* Total net assets in the Fund are approximately \$224.6 million. The average maturity for the Fund as of October 31, 1993 was 50 days.

The primary reason short-term interest rates have remained steady in 1993 is that the Federal Reserve Board (the "Fed") elected to leave monetary policy unchanged. The Fed has been satisfied with the pace of the economy and the relatively low rate of inflation.

Looking ahead to 1994, we do not expect a significant change in short-term interest rates. However, as the economy continues to grow, it could trigger a resurgence in inflation, thereby forcing a tightening in monetary policy and a subsequent increase in interest rates.

The Fund's investment adviser will continue to monitor economic and market developments to best serve our shareholders who seek a well-managed fund that stresses a high degree of safety, liquidity and competitive yields.

* Past performance is not indicative of future results. Yield will vary. Although money market funds seek to maintain a stable net asset value of \$1.00 per share, there is no assurance that they will be able to do so. An investment in the Fund is neither insured nor guaranteed by the U.S. government.

INDEPENDENCE ONE U.S. TREASURY MONEY MARKET FUND
 PORTFOLIO OF INVESTMENTS
 OCTOBER 31, 1993
 (UNAUDITED)

<TABLE>
 <CAPTION>

PRINCIPAL AMOUNT		VALUE
<S>	<C>	<C>

U.S. TREASURY OBLIGATIONS--39.6%		

U.S. TREASURY BILLS		
\$ 10,000,000	11/18/93	\$ 9,985,149
10,000,000	12/2/93	9,973,090
10,000,000	1/27/94	9,921,337
10,000,000	2/10/94	9,914,992
10,000,000	4/7/94	9,865,460
10,000,000	4/21/94	9,851,088
10,000,000	4/28/94	9,842,272
10,000,000	5/5/94	9,838,639
10,000,000	5/5/94	9,837,211
TOTAL U.S. TREASURY OBLIGATIONS		89,029,238

REPURCHASE AGREEMENTS--64.9%*

11,086,000	Daiwa Securities America, Inc., 2.95%, dated 10/29/93, due 11/1/93	11,086,000
56,215,000	Donaldson, Lufkin & Jenrette Securities Corp., 2.98%, dated 10/29/93, due 11/1/93	56,215,000
56,215,000	Kidder, Peabody & Co., Inc., 2.97%, dated 10/29/93, due 11/1/93	56,215,000
11,087,000	Merrill Lynch, Pierce, Fenner & Smith, Inc., 2.80%, dated 10/29/93, due 11/1/93	11,087,000
11,086,000	UBS Securities, Inc., 2.95%, dated 10/29/93, due 11/1/93	11,086,000
TOTAL REPURCHASE AGREEMENTS (NOTE 2B)		145,689,000
TOTAL INVESTMENTS, AT AMORTIZED COST		\$ 234,718,238

</TABLE>

* Repurchase agreements are fully collateralized by U.S. Treasury obligations based on market prices at the date of the portfolio.

\ Also represents cost for federal tax purposes.

Note: The categories of investments are shown as a percentage of net assets (\$224,630,548) at October 31, 1993.

(See Notes which are an integral part of the Financial Statements)

2

INDEPENDENCE ONE U.S. TREASURY MONEY MARKET FUND
STATEMENT OF ASSETS AND LIABILITIES
OCTOBER 31, 1993
(UNAUDITED)

	<C>	<C>
<TABLE>		
<S>		
ASSETS:		
Investments in repurchase agreements (Note 2B)	\$ 145,689,000	
Investments in U.S. Treasury obligations	89,029,238	
Total investments, at amortized cost and value (Note 2A)		\$ 234,718,238
Cash		634
Interest receivable		35,911
Receivable for Fund shares sold		500
Deferred expenses (Note 2F)		3,635
Total assets		234,758,918
LIABILITIES:		
Payable for investments purchased	9,837,211	
Dividends payable	220,631	
Accrued expenses	70,528	
Total liabilities		10,128,370
NET ASSETS for 224,630,548 shares of beneficial interest outstanding		\$ 224,630,548
NET ASSET VALUE, Offering Price, and Redemption Price Per Share (\$224,630,548 / 224,630,548 SHARES OF BENEFICIAL INTEREST OUTSTANDING)		\$1.00

(See Notes which are an integral part of the Financial Statements)

</TABLE>

INDEPENDENCE ONE U.S. TREASURY MONEY MARKET FUND
STATEMENT OF OPERATIONS
SIX MONTHS ENDED OCTOBER 31, 1993
(UNAUDITED)

	<C>	<C>
INVESTMENT INCOME:		
Interest income (Note 2C)		\$ 3,264,064
EXPENSES:		
Investment advisory fee (Note 5)	\$ 415,153	
Administrative personnel and services (Note 5)	131,553	
Trustees' fees	3,026	
Custodian, transfer and dividend disbursing agent fees and expenses	36,881	
Fund share registration costs	10,032	
Auditing fees	6,624	
Legal fees	5,484	
Printing and postage	11,130	
Insurance premiums	4,596	
Miscellaneous	6,586	
Total expenses	631,065	
Deduct--Waiver of investment advisory fee (Note 5)	586	
Net expenses		630,479
Net investment income		\$ 2,633,585

(See Notes which are an integral part of the Financial Statements)

</TABLE>

INDEPENDENCE ONE U.S. TREASURY MONEY MARKET FUND
STATEMENT OF CHANGES IN NET ASSETS

	SIX MONTHS ENDED 10/31/93 (UNAUDITED)	YEAR ENDED 4/30/93
	<C>	<C>
INCREASE (DECREASE) IN NET ASSETS:		
OPERATIONS--		
Net investment income	\$ 2,633,585	\$ 6,772,915
DISTRIBUTIONS TO SHAREHOLDERS (NOTE 3)--		
Dividends to shareholders from net investment income	(2,633,585)	(6,772,915)
FUND SHARE (PRINCIPAL) TRANSACTIONS (NOTE 4)--		
Proceeds from sale of shares	704,461,221	1,660,748,209
Net asset value of shares issued to shareholders electing to receive		

payment of distribution in Fund shares	1,140,337	2,450,153
-----	-----	-----
Cost of shares redeemed	(695,040,216)	(1,673,931,783)
-----	-----	-----
Change in net assets from Fund share transactions	10,561,342	(10,733,421)
-----	-----	-----
Change in net assets	10,561,342	(10,733,421)
-----	-----	-----
NET ASSETS:		
-----	-----	-----
Beginning of period	214,069,206	224,802,627
-----	-----	-----
End of period	\$ 224,630,548	\$ 214,069,206
-----	-----	-----

(See Notes which are an integral part of the Financial Statements)

</TABLE>

INDEPENDENCE ONE U.S. TREASURY MONEY MARKET FUND
FINANCIAL HIGHLIGHTS

(FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD)

<TABLE>

<CAPTION>

<S>	YEAR ENDED APRIL 30,				
	<C> 1994***	<C> 1993	<C> 1992	<C> 1991	<C> 1990**
NET ASSET VALUE, BEGINNING OF PERIOD	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
-----	-----	-----	-----	-----	-----
INCOME FROM INVESTMENT OPERATIONS					
-----	-----	-----	-----	-----	-----
Net investment income	0.01	0.03	0.05	0.07	0.08
-----	-----	-----	-----	-----	-----
LESS DISTRIBUTIONS					
-----	-----	-----	-----	-----	-----
Dividends to shareholders from net investment income	(0.01)	(0.03)	(0.05)	(0.07)	(0.08)
-----	-----	-----	-----	-----	-----
NET ASSET VALUE, END OF PERIOD	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
-----	-----	-----	-----	-----	-----
TOTAL RETURN*	1.28% (a)	2.92%	4.81%	7.17%	7.83% (a)
-----	-----	-----	-----	-----	-----
RATIOS TO AVERAGE NET ASSETS					
-----	-----	-----	-----	-----	-----
Expenses	.61% (b)	0.54%	0.57%	0.60%	0.35% (b)
-----	-----	-----	-----	-----	-----
Net investment income	2.54% (b)	2.90%	4.55%	6.91%	8.17% (b)
-----	-----	-----	-----	-----	-----
Expense adjustment (c)	--	0.09%	0.12%	0.07%	0.32% (b)
-----	-----	-----	-----	-----	-----
SUPPLEMENTAL DATA					
-----	-----	-----	-----	-----	-----
Net assets, end of period (000 omitted)	\$224,631	\$214,069	\$224,803	\$131,263	\$82,947
-----	-----	-----	-----	-----	-----

</TABLE>

* Based on net asset value.

** Reflects operations for the period from June 1, 1989 (date of initial public investment) to April 30, 1990. For the period from the start of business, May 15, 1989, to May 31, 1989, net investment income aggregating \$0.0045 per share (\$45,273) was distributed to Michigan National Bank and Federated Administrative Services ("FAS").

*** For the six months ended October 31, 1993 (unaudited).

(a) Cumulative total return based on net asset value.

(b) Computed on an annualized basis.

(c) Increase/decrease in above expense/income ratios due to waivers or reimbursements of expenses (Note 5).

INDEPENDENCE ONE U.S. TREASURY MONEY MARKET FUND
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 1993
(UNAUDITED)

(1) ORGANIZATION

Independence One Mutual Funds (the "Trust") is registered under the Investment Company Act of 1940, as amended, as an open-end, management investment company. The Trust was established as a Massachusetts business trust under a Declaration of Trust dated January 9, 1989. The Trust currently consists of four portfolios. The financial statements included herein are only those of Independence One U.S. Treasury Money Market Fund (the "Fund"). The financial statements of the other portfolios are presented separately. The assets of each portfolio are segregated and a shareholder's interest is limited to the portfolio in which shares are held. The Declaration of Trust permits the Trust to offer separate series of shares of beneficial interest representing interests in separate portfolios of securities.

(2) SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The policies are in conformity with generally accepted accounting principles.

- A. INVESTMENT VALUATIONS--The Board of Trustees ("Trustees") has determined that the best method currently available for valuing portfolio securities is amortized cost. The Fund's use of the amortized cost method to value its portfolio securities is conditioned on its compliance with Rule 2a-7 under the Investment Company Act of 1940.
- B. REPURCHASE AGREEMENTS--It is the policy of the Fund to require the custodian bank to take possession, to have legally segregated in the Federal Reserve Book Entry System or to have segregated within the custodian bank's vault, all securities held as collateral in support of repurchase agreement investments. Additionally, procedures have been established by the Fund to monitor on a daily basis, the market value of each repurchase agreement's underlying investments to ensure the existence of a proper level of collateral.

The Fund will only enter into repurchase agreements with banks and other recognized financial institutions such as broker/dealers which are deemed by the Fund's adviser to be creditworthy pursuant to guidelines established by the Trustees. Risks may arise from the potential inability of counterparties to honor the terms of the repurchase agreement. Accordingly, the Fund could receive less than the repurchase price on the sale of collateral securities.

- C. INCOME--Interest income is recorded on the accrual basis. Interest income includes interest and discount earned (net of premium), including original issue discount as required by the Internal Revenue Code, plus realized net gains, if any, on portfolio securities.

INDEPENDENCE ONE U.S. TREASURY MONEY MARKET FUND

- D. FEDERAL TAXES--It is the Fund's policy to comply with the provisions of the Internal Revenue Code applicable to investment companies and to distribute to shareholders each year all of its taxable income. Accordingly, no provision for federal tax is necessary.
- E. WHEN-ISSUED AND DELAYED DELIVERY TRANSACTIONS--The Fund may engage in when-issued or delayed delivery transactions. To the extent the Fund engages in such transactions, it will do so for the purpose of acquiring portfolio securities consistent with its investment objective and policies and not for the purpose of investment leverage. When the Fund indicates its interest in acquiring such portfolio securities, no liability accrues to the Fund until the trade date of the transaction. The Fund will maintain security positions such that sufficient liquid assets will be available to make payment for the securities to be purchased. These securities are

marked to market daily and maintained until the transaction is settled. Securities purchased on a when-issued or delayed delivery basis do not earn income until the settlement date.

F. DEFERRED EXPENSES--The costs incurred by the Fund with respect to registration of its shares in its first fiscal year, excluding the initial expense of registering the shares, have been deferred and are being amortized using the straight-line method over a period of five years from the Fund's commencement date.

G. OTHER--Investment transactions are accounted for on the date of the transaction.

(3) DIVIDENDS

The Fund computes its net income daily and, immediately prior to the calculation of its net asset value at the close of business, declares and records dividends to shareholders of record at the time of the previous computation of the Fund's net asset value. Payment of dividends is made monthly in cash, or in additional shares at the net asset value on the payable date.

(4) SHARES OF BENEFICIAL INTEREST

The Declaration of Trust permits the Trustees to issue an unlimited number of full and fractional shares of beneficial interest (without par value). At October 31, 1993, capital paid in aggregated \$224,630,548. Transactions in Fund shares were as follows:

INDEPENDENCE ONE U.S. TREASURY MONEY MARKET FUND

<TABLE>
<CAPTION>

	SIX MONTHS ENDED 10/31/93 <C>	YEAR ENDED 4/30/93 <C>
Shares outstanding, beginning of period	214,069,206	224,802,627
Shares sold	704,461,221	1,660,748,209
Shares issued to shareholders electing to receive payment of distribution in Fund shares	1,140,337	2,450,153
Shares redeemed	(695,040,216)	(1,673,931,783)
Shares outstanding, end of period	224,630,548	214,069,206

</TABLE>

(5) INVESTMENT ADVISORY FEE AND OTHER TRANSACTIONS WITH AFFILIATES

Michigan National Bank, the Fund's investment adviser ("Adviser"), receives for its services an annual investment advisory fee equal to .40 of 1% of the Fund's average daily net assets, subject to an undertaking to reimburse the Fund by the amount that normal operating expenses of the Fund (including the investment advisory fee, but excluding brokerage commissions, interest, taxes and extraordinary expenses) exceed 2-1/2% per year on the first \$30 million of average daily net assets of the Fund, 2% per year on the next \$70 million of average daily net assets of the Fund and 1-1/2% per year on any additional net assets. For the six months ended October 31, 1993, Adviser earned an investment advisory fee of \$415,153 of which \$586 was voluntarily waived.

Administrative personnel and services are provided by Federated Administrative Services ("FAS") at annual rates of .150 of 1% on the first \$250 million, .125 of 1% on the next \$250 million, .100 of 1% on the next \$250 million, and .075 of 1% on assets in excess of \$750 million, respectively, of average aggregate daily net assets of the Independence One Mutual Funds. For the six months ended October 31, 1993, FAS earned administrative personnel fees amounting to \$131,553. Expenses of organizing the Fund (\$37,116) were borne initially by FAS. The Fund has agreed to pay FAS, at an annual rate of .005 of 1% of average daily

net assets, until the organization expenses initially borne by FAS are reimbursed or five years from June 1, 1989, the date the Trust's portfolio became effective, whichever occurs earlier. During the six months ended October 31, 1993, the Fund paid FAS \$5,183 for organization expenses pursuant to this agreement. Certain Officers of the Fund are Officers and Directors of FAS.

9

TRUSTEES

OFFICERS

<TABLE>
<S>
Robert E. Baker
Harold Berry
Clarence G. Frame
Harry J. Nederlander
David L. VanAndel*
Thomas S. Wilson*
</TABLE>

<C>
Edward C. Gonzales
President and Treasurer
Jeffrey W. Sterling
Vice President and Assistant Treasurer
Jay S. Neuman
Secretary

*Assumed office on December 7, 1993.

Mutual funds are not obligations of or insured by any bank nor are they insured by the federal government or any of its agencies.

This report is authorized for distribution to prospective investors only when preceded or accompanied by the Fund's prospectus which contains facts concerning its objective and policies, management fees, expenses and other information.

INDEPENDENCE
ONE
PRIME
MONEY MARKET
FUND

SEMI-ANNUAL REPORT
TO SHAREHOLDERS
OCTOBER 31, 1993

FEDERATED SECURITIES CORP.
Distributor

A subsidiary of FEDERATED INVESTORS

FEDERATED INVESTORS TOWER
PITTSBURGH, PA 15222-3779

0112904 (12/93)

PRESIDENT'S MESSAGE

Dear Investor:

I am pleased to present the Semi-Annual Report of Independence One Prime Money Market Fund (the "Fund") for the six-month period ended October 31, 1993. It contains complete financial information for the Fund--including the Investment Review and Portfolio of Investments.

The Fund continues to pursue competitive yields from a high-quality, diversified portfolio of money market securities, including certificates of deposit, commercial paper, and repurchase agreements fully backed by U.S. government and government agency securities. Total assets in the Fund at the end of the report period stood at \$390.7 million. Dividends paid to shareholders during the period totaled \$5.2 million.

Thank you for choosing the Fund as a way to put your cash to work earning competitive money market income, with relative stability and easy access to your money. As always, we welcome your questions, comments, or suggestions.

Sincerely,

INVESTMENT REVIEW

The shares of the Independence One Prime Money Market Fund represent interests in the Fund, which is one of a series of investment portfolios in the Independence One Mutual Funds, an open-end, management investment company. The investment objective of the Fund is to provide current income consistent with stability of principal. The Fund pursues this investment objective by investing in a variety of high-quality money market instruments maturing in 397 days or less.

Short-term interest rates have been fairly steady for most of 1993. This trend in interest rates is reflected in the monthly average yield for the Fund, which has ranged from 2.77% on January 31, 1993 to its current yield of 2.65% on October 31, 1993.* Total net assets in the Fund are approximately \$390.7 million. The average maturity for the Fund as of October 31, 1993 was 33 days.

The primary reason short-term interest rates have remained steady in 1993 is that the Federal Reserve Board (the "Fed") elected to leave monetary policy unchanged. The Fed has been satisfied with the pace of the economy and the relatively low rate of inflation.

Looking ahead to 1994, we do not expect a significant change in short-term interest rates. However, as the economy continues to grow, it could trigger a resurgence in inflation, thereby forcing a tightening in monetary policy and a subsequent increase in interest rates.

The Fund's investment adviser will continue to monitor economic and market developments to best serve our shareholders who seek a well-managed fund that stresses a high degree of safety, liquidity and competitive yields.

* Past performance is not indicative of future results. Yield will vary. Although money market funds seek to maintain a stable net asset value of \$1.00 per share, there is no assurance that they will be able to do so. An investment in the Fund is neither insured nor guaranteed by the U.S. government.

INDEPENDENCE ONE PRIME MONEY MARKET FUND
 PORTFOLIO OF INVESTMENTS
 OCTOBER 31, 1993
 (UNAUDITED)

<TABLE>
 <CAPTION>

PRINCIPAL AMOUNT		VALUE
<S>	<C>	<C>

CERTIFICATES OF DEPOSIT--34.6%		

	ISSUED BY FOREIGN BANKS--U.S. BRANCHES--28.2%	

\$ 15,000,000	Societe Generale Bank	
	3.16%, 11/1/93	\$ 15,000,000

5,000,000	Credit Suisse, Zurich	
	3.28%, 11/24/93	4,999,962

10,000,000	Credit Suisse, Zurich	
	3.28%, 11/29/93	10,000,229

10,000,000	Banque Paribas	

	3.28%, 12/1/93	10,000,164
10,000,000	Banque National De Paris	
	3.34%, 12/2/93	10,000,169
5,000,000	Banque Paribas	
	3.25%, 1/5/94	5,000,179
10,000,000	Sumitomo Bank, Ltd.	
	3.29%, 1/12/94	10,000,198
10,000,000	Sanwa Bank, Ltd.	
	3.29%, 1/18/94	10,000,643
10,000,000	Sakura Bank, Ltd.	
	3.33%, 1/21/94	10,000,446
5,000,000	Banque Nationale De Paris	
	3.38%, 1/28/94	5,000,120
10,000,000	ABN AMRO Bank	
	3.25%, 2/25/94	10,000,319

</TABLE>

3

INDEPENDENCE ONE PRIME MONEY MARKET FUND

<TABLE>
<CAPTION>

PRINCIPAL AMOUNT		VALUE
<S>	<C>	<C>
CERTIFICATES OF DEPOSIT--CONTINUED		
ISSUED BY FOREIGN BANKS--U.S. BRANCHES--CONTINUED		
\$ 10,000,000	Bank of Nova Scotia	
	3.28%, 2/25/94	\$ 10,000,956
	Total	110,003,385
ISSUED BY FOREIGN BANKS--LONDON BRANCHES--6.4%		
5,000,000	Banque Indosuez	
	3.18%, 11/19/93	5,000,049
10,000,000	Bank of Tokyo, Ltd.	
	3.31%, 1/5/94	10,000,179
10,000,000	Lloyds Bank PLC	
	3.30%, 3/2/94	10,000,330
	Total	25,000,558
	TOTAL CERTIFICATES OF DEPOSIT	135,003,943

*CERTIFICATES OF DEPOSIT--VARIABLE RATE--5.1%

5,000,000 Abbey National PLC

	3.50%, 11/26/93	5,000,000
15,000,000	State Bank of New South Wales	
	3.11%, 7/1/94	15,000,000
	TOTAL CERTIFICATES OF DEPOSIT--VARIABLE RATE	20,000,000
**COMMERCIAL PAPER--22.4%		
	AUTO--2.1%	
8,000,000	Fleet Funding Corp.	
	3.10%, 11/8/93	7,995,178
	BANKING--8.9%	
5,000,000	Den Danske Bank	
	3.22%, 11/12/93	4,995,080

</TABLE>

4

INDEPENDENCE ONE PRIME MONEY MARKET FUND

<TABLE>		
<CAPTION>		
PRINCIPAL AMOUNT		VALUE
<S>	<C>	<C>
COMMERCIAL PAPER--CONTINUED		
BANKING--CONTINUED		
\$ 5,000,000	Canadian Imperial Holdings, Inc.	
	3.17%, 1/7/94	\$ 4,970,539
5,000,000	Kreditbank of North America	
	3.20%, 1/13/94	4,967,556
10,000,000	Kreditbank of North America	
	3.22%, 1/18/94	9,930,233
10,000,000	Canadian Imperial Holdings, Inc.	
	3.24%, 1/24/94	9,924,400
	Total	34,787,808
ELECTRONICS--3.8%		
5,000,000	SCI Systems, Inc.	
	3.12%, 11/18/93	4,992,633
10,000,000	SCI Systems, Inc.	
	3.13%, 11/19/93	9,984,350
	Total	14,976,983
FINANCE--COMMERCIAL--3.8%		
5,000,000	Canadian Wheat Board	
	3.17%, 11/24/93	4,989,874

10,000,000	Canadian Wheat Board	
	3.22%, 11/23/93	9,980,323
	Total	14,970,197

	FUNDING CORPORATION--3.8%	

15,000,000	Bishopsgate Funding, Inc.	
	3.13%, 11/19/93	14,976,525
	TOTAL COMMERCIAL PAPER	87,706,691

</TABLE>

5

INDEPENDENCE ONE PRIME MONEY MARKET FUND

<TABLE>
<CAPTION>

PRINCIPAL AMOUNT		VALUE
<C>	<S>	<C>

MASTERNOTES--3.8%		

\$ 15,000,000	Shearson Lehman Brothers Holdings	
	3.11%, 11/1/93	\$ 15,000,000

*VARIABLE RATE OBLIGATIONS--0.5%		

2,000,000	Richmond County, GA	
	3.15%, 11/1/93	2,000,000

GOVERNMENT AGENCIES--2.6%		

10,000,000	Federal Home Loan Bank	
	3.15%, 6/23/94	10,000,000

\REPURCHASE AGREEMENTS--33.5%		

65,947,000	Donaldson, Lufkin & Jenrette Securities Corp., 2.98%, dated 10/29/93, due 11/1/93	65,947,000

65,000,000	Kidder, Peabody & Co., 2.97%, dated 10/29/93, due 11/1/93	65,000,000

	TOTAL REPURCHASE AGREEMENTS (NOTE 2B)	130,947,000

	TOTAL INVESTMENTS (AT AMORTIZED COST)	\$ 400,657,634\\

</TABLE>

- * Current rate and next demand date shown.
- ** Each issue shows the rate of discount at the time of purchase.
- \ The repurchase agreements are fully collateralized by U.S. government and/or agency obligations based on market prices at the date of the portfolio.
- \\ Also represents cost for federal tax purposes.

Note: The categories of investments are shown as a percentage of net assets (\$390,770,383) at October 31, 1993.

(See Notes which are an integral part of the Financial Statements)

INDEPENDENCE ONE PRIME MONEY MARKET FUND
 STATEMENT OF ASSETS AND LIABILITIES
 OCTOBER 31, 1993
 (UNAUDITED)

<TABLE> <S>	<C>	<C>
ASSETS:		
Investments in securities	\$ 269,710,634	
Investments in repurchase agreements (Note 2B)	130,947,000	
Total investments, at amortized cost and value (Note 2A)		\$ 400,657,634
Cash		16,049
Interest receivable		1,065,049
Receivable for Fund shares sold		9,614
Deferred expenses (Note 2F)		12,339
Total assets		401,760,685
LIABILITIES:		
Payable for investments purchased	\$ 10,000,330	
Dividends payable	601,227	
Payable for Fund shares redeemed	289,181	
Accrued expenses	99,564	
Total liabilities		10,990,302
NET ASSETS for 390,770,383 shares of beneficial interest outstanding		\$ 390,770,383
NET ASSET VALUE, Offering Price, and Redemption Price Per Share (\$390,770,383 / 390,770,383 shares of beneficial interest outstanding)		\$1.00
(See Notes which are an integral part of the Financial Statements)		

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INDEPENDENCE ONE PRIME MONEY MARKET FUND
 STATEMENT OF OPERATIONS
 SIX MONTHS ENDED OCTOBER 31, 1993
 (UNAUDITED)

<TABLE> <S>	<C>	<C>
INVESTMENT INCOME:		
Interest income (Note 2C)		\$ 6,312,336
EXPENSES:		
Investment advisory fee (Note 5)	\$ 778,053	
Administrative personnel and services (Note 5)	244,883	
Trustees' fees	6,991	
Custodian, transfer and dividend disbursing agent fees and expenses	90,926	
Fund share registration costs	31,360	
Auditing fees	7,739	

Legal fees	5,950	
-----	-----	-----
Printing and postage	12,812	
-----	-----	-----
Insurance premiums	6,349	
-----	-----	-----
Miscellaneous	2,821	
-----	-----	-----
Taxes	783	
-----	-----	-----
Total expenses	1,188,667	
-----	-----	-----
Deduct--Waiver of investment advisory fee (Note 5)	64,765	
-----	-----	-----
Net expenses		1,123,902
-----	-----	-----
Net investment income		\$ 5,188,434
-----	-----	-----

(See Notes which are an integral part of the Financial Statements)

</TABLE>

8

INDEPENDENCE ONE PRIME MONEY MARKET FUND
STATEMENT OF CHANGES IN NET ASSETS

<TABLE>
<CAPTION>

	SIX MONTHS ENDED 10/31/93 (UNAUDITED)	YEAR ENDED 4/30/93
<S>	<C>	<C>
INCREASE (DECREASE) IN NET ASSETS:		
-----	-----	-----
OPERATIONS--		
-----	-----	-----
Net investment income	\$ 5,188,434	\$ 10,452,560
-----	-----	-----
DISTRIBUTIONS TO SHAREHOLDERS (NOTE 3)--		
-----	-----	-----
Dividends to shareholders from net investment income	(5,188,434)	(10,452,560)
-----	-----	-----
FUND SHARE (PRINCIPAL) TRANSACTIONS (NOTE 4)--		
-----	-----	-----
Proceeds from sale of shares	1,161,965,430	2,358,845,331
-----	-----	-----
Net asset value of shares issued to shareholders electing to receive payment of distributions in Fund shares	1,368,747	3,451,415
-----	-----	-----
Cost of shares redeemed	(1,195,918,396)	(2,247,951,529)
-----	-----	-----
Change in net assets from Fund share transactions	(32,584,219)	114,345,217
-----	-----	-----
Change in net assets	(32,584,219)	114,345,217
-----	-----	-----
NET ASSETS:		
-----	-----	-----
Beginning of period	423,354,602	309,009,385
-----	-----	-----
End of period	\$ 390,770,383	\$ 423,354,602
-----	-----	-----

(See Notes which are an integral part of the Financial Statements)

</TABLE>

9

INDEPENDENCE ONE PRIME MONEY MARKET FUND
FINANCIAL HIGHLIGHTS

(For a share outstanding throughout each period)

<TABLE>
<CAPTION>

<S>	YEAR ENDED APRIL 30,				
	<C> 1994*	<C> 1993	<C> 1992	<C> 1991	<C> 1990**
NET ASSET VALUE, BEGINNING OF PERIOD	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00

INCOME FROM INVESTMENT OPERATIONS					

Net investment income	0.01	0.03	0.05	0.07	0.08

LESS DISTRIBUTIONS					

Dividends to shareholders from net investment income	(0.01)	(0.03)	(0.05)	(0.07)	(0.08)

NET ASSET VALUE, END OF PERIOD	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00

TOTAL RETURN***	1.34% (a)	2.99%	4.89%	7.55%	7.99% (a)

RATIOS TO AVERAGE NET ASSETS					

Expenses	0.58% (b)	0.58%	0.54%	0.53%	0.40% (b)

Net investment income	2.67% (b)	2.91%	4.73%	7.26%	8.24% (b)

Expense adjustment (c)	0.03% (b)	0.04%	0.08%	0.08%	0.23% (b)

SUPPLEMENTAL DATA					

Net assets, end of period (000 omitted)	390,770	423,355	309,009	371,994	328,434

</TABLE>

* Six months ended October 31, 1993 (unaudited).

** Reflects operations for the period from June 1, 1989 (date of initial public investment) to April 30, 1990. For the period from the start of business May 1, 1989 to May 31, 1989, net investment income aggregating \$0.0084 per share (\$85,665) was distributed to Michigan National Bank and Federated Administrative Services.

*** Based on net asset value.

(a) Cumulative total return based on net asset value.

(b) Computed on an annualized basis.

(c) Increase/decrease in above expense/income ratios due to waivers or reimbursements of expenses (Note 5).

(See Notes which are an integral part of the Financial Statements)

10

INDEPENDENCE ONE PRIME MONEY MARKET FUND
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 1993
(UNAUDITED)

(1) ORGANIZATION

Independence One Mutual Funds (the "Trust") is registered under the Investment Company Act of 1940, as amended, as an open-end, management investment company. The Trust was established as a Massachusetts business trust under a Declaration of Trust dated January 9, 1989. The Trust currently consists of four portfolios. The financial statements included herein are only those of Independence One Prime Money Market Fund (the "Fund"). The financial statements of the other portfolios are presented separately. The assets of each portfolio are segregated and a shareholder's interest is limited to the portfolio in which shares are held. The Declaration of Trust permits the Trust to offer separate series of shares of beneficial interest representing interests in separate portfolios of securities.

(2) SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The policies are in conformity with generally accepted accounting principles.

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- B. REPURCHASE AGREEMENTS--It is the policy of the Fund to require the custodian bank to take possession, to have legally segregated in the Federal Reserve Book Entry System or to have segregated within the custodian bank's vault, all securities held as collateral in support of repurchase agreement investments. Additionally, procedures have been established by the Fund to monitor, on a daily basis, the market value of each repurchase agreement's underlying investments to ensure the existence of a proper level of collateral.

The Fund will only enter into repurchase agreements with banks and other recognized financial institutions such as broker/dealers which are deemed by the Fund's adviser to be creditworthy pursuant to guidelines established by the Trustees. Risks may arise from the potential inability of counterparties to honor the terms of the repurchase agreement. Accordingly, the Fund could receive less than the repurchase price on the sale of collateral securities.
- C. INCOME--Interest income is recorded on the accrual basis. Interest income includes interest and discount earned (net of premium), including original issue discount as required by the Internal Revenue Code, plus realized net gains, if any, on portfolio securities.

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INDEPENDENCE ONE PRIME MONEY MARKET FUND

- D. FEDERAL TAXES--It is the Fund's policy to comply with the provisions of the Internal Revenue Code applicable to investment companies and distribute to shareholders each year all of its taxable income. Accordingly, no provision for federal tax is necessary.
- E. WHEN-ISSUED AND DELAYED DELIVERY TRANSACTIONS--The Fund may engage in when-issued or delayed delivery transactions. To the extent the Fund engages in such transactions, it will do so for the purpose of acquiring portfolio securities consistent with its investment objective and policies and not for the purpose of investment leverage. When the Fund indicates its interest in acquiring such portfolio securities, no liability accrues to the Fund until the trade date of the transaction. The Fund will maintain security positions such that sufficient liquid assets will be available to make payment for the securities to be purchased. These securities are marked to market daily and maintained until the transaction is settled. Securities purchased on a when-issued or delayed delivery basis do not earn income until the settlement date.
- F. DEFERRED EXPENSES--The costs incurred by the Fund with respect to registration of its shares in its first fiscal year, excluding the initial expense of registering the shares, have been deferred and are being amortized using the straight-line method over a period of five years from the Fund's commencement date.
- G. OTHER--Investment transactions are accounted for on the date of the transaction.

(3) DIVIDENDS

The Fund computes its net income daily and, immediately prior to the calculation of its net asset value at the close of business, declares and records dividends to shareholders of record at the time of the previous computation of the Fund's net asset value. Payment of dividends is made monthly in cash, or in additional shares at the net asset value on the payable date.

(4) SHARES OF BENEFICIAL INTEREST

The Declaration of Trust permits the Trustees to issue an unlimited number of full and fractional shares of beneficial interest (without par value). At October 31, 1993, capital paid in aggregated \$390,770,383. Transactions in Fund shares were as follows:

<TABLE>
<CAPTION>

<S>	SIX MONTHS ENDED 10/31/93 <C>	YEAR ENDED 4/30/93 <C>
Shares outstanding, beginning of period	423,354,602	309,009,385
Shares sold	1,161,965,430	2,358,845,331
Shares issued to shareholders electing to receive payment of distributions in Fund shares	1,368,747	3,451,415
Shares redeemed	(1,195,918,396)	(2,247,951,529)
Shares outstanding, end of period	390,770,383	423,354,602

</TABLE>

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INDEPENDENCE ONE PRIME MONEY MARKET FUND

(5) INVESTMENT ADVISORY FEE AND OTHER TRANSACTIONS WITH AFFILIATES

Michigan National Bank, the Fund's investment adviser ("Adviser"), receives for its services an annual investment advisory fee equal to .40 of 1% of the Fund's average daily net assets, subject to an undertaking to reimburse the Fund by the amount that normal operating expenses of the Fund (including the investment advisory fee, but excluding brokerage commissions, interest, taxes and extraordinary expenses) exceed 2-1/2% per year on the first \$30 million of average daily net assets of the Fund, 2% per year on the next \$70 million of average daily net assets of the Fund and 1-1/2% per year on any additional net assets. For the six months ended October 31, 1993, Adviser earned an investment advisory fee of \$778,053 of which \$64,765 was voluntarily waived.

Administrative personnel and services are provided by Federated Administrative Services ("FAS") at annual rates of .150 of 1% on the first \$250 million, .125 of 1% on the next \$250 million, .100 of 1% on the next \$250 million, and .075 of 1% on assets in excess of \$750 million, respectively, of average aggregate daily net assets of the Independence One Mutual Funds. For the six months ended October 31, 1993, FAS earned administrative personnel fees amounting to \$244,883. Certain Officers of the Fund are Officers and Directors of FAS.

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TRUSTEES

OFFICERS

<TABLE>

<p><S> Robert E. Baker Harold Berry Clarence G. Frame Harry J. Nederlander David L. VanAndel* Thomas S. Wilson*</p>	<p><C> Edward C. Gonzales President and Treasurer Jeffrey W. Sterling Vice President and Assistant Treasurer Jay S. Neuman Secretary</p>
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*Assumed office on December 7, 1993.

Mutual funds are not obligations of or insured by any bank nor are they insured by the federal government or any of its agencies.

This report is authorized for distribution to prospective investors only when preceded

or accompanied by the Fund's prospectus which contains facts concerning its objective and policies, management fees, expenses and other information.

